

A Survey of Acquisition Costs of Pharmaceuticals in the Commonwealth of Kentucky

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EXHIBITS

Executive Summary

Introduction

Under contract to the Kentucky Department for Medicaid Services, Myers and Stauffer LC performed a study of the cost of dispensing prescription medications to Medicaid recipients in the Commonwealth of Kentucky. Components of this study include:

- Pharmacy dispensing cost survey
- Prescription charge survey
- Estimated acquisition costs study

This report includes a narrative of the methodologies and findings relevant to the survey of pharmaceutical acquisition costs. A separate report issued by Myers and Stauffer LC includes discussion of the survey of dispensing costs and prescription charges.

Drug acquisition cost comparisons were compiled and analyzed for the top 2,000 drug products (as measured by Medicaid expenditures in calendar year 2000) of the Kentucky Medicaid pharmacy program. All pharmacies participating in the Kentucky Medicaid program were asked to participate in the study by submitting pharmaceutical purchase invoices for one month from calendar year 2000. Invoices were received from a sufficient representative sample of Kentucky Medicaid participating pharmacies and analyzed as required by KRS 205.561. Pharmacies which responded included an appropriate mix based upon factors relating to retail versus institutional settings, independent versus chain affiliation and urban versus rural location. The actual acquisition cost data shown on invoices obtained from Kentucky pharmacy providers was compared to the standardized Average Wholesale Price (AWP). Actual acquisition costs were also compared to the Federal Upper Limit (FUL) for those multi-source drugs with federal maximum allowable costs.

Summary of Findings

The significant findings of the study are as follows:

- For the 158 pharmacies that provided invoices from external wholesalers, typical acquisition costs for single source drugs ranged from 80% to 83% of the AWP (the 20th and 80th percentiles, respectively). **The average acquisition cost was 81.7%, with a standard deviation of 1.2%.**
- Some of the pharmacies in the sample were institutional providers that dispensed prescriptions to patients in long-term care or other institutional settings. Acquisition costs at these pharmacies for single source drug products averaged 81.2% of the AWP, as compared to 81.7% for pharmacies that dispensed prescriptions in traditional retail settings.
- Of the sampled 1,000 single source drugs, 836 drug products were matched to one or more purchases. Of these 836 products, typical acquisition costs for single source drugs ranged from 79% to 83% of the AWP with an average acquisition cost of 81.6% of the AWP. The average actual drug acquisition cost is considerably less than the Department's current ingredient cost allowance of AWP minus 10.0% (90% of the AWP).
- The acquisition costs for multi-source drugs exhibited much greater variation, but averaged 43.7% of the AWP for drugs without FUL prices. For multi-source drugs with FUL prices, the average acquisition cost was 16.0% of the AWP and 40.7% of the FUL.

Conclusions

There are several factors that should be considered in determining an appropriate Medicaid pharmacy reimbursement formula besides dispensing and drug acquisition costs incurred by pharmacies. These factors include market dynamics (i.e., the rates accepted from commercial third-party payers) balanced with the need to maintain sufficient access to services for Medicaid recipients throughout the state.

Findings from this study indicate that the current pharmacy ingredient reimbursement rate of AWP less 10% provides payments in excess of the costs actually incurred by Kentucky pharmacies in acquiring pharmaceutical products for Medicaid recipients.

Historically, much of the attention in setting Medicaid pharmacy reimbursement rates has focused on the dispensing fee component. Fifteen years ago, when the average brand name Medicaid prescription cost \$12 - \$15, the margin between the pharmacy's true acquisition cost and the cost assumed by an AWP less 10% formula was equivalent to 60¢ added to the dispensing fee. **Now, with the**

average brand name Medicaid prescription in Kentucky costing over \$75, the margin on drug ingredient cost can be more than \$6 per prescription.

With no foreseeable end to the escalation in prices for new drug therapies, this relationship between dispensing fees and the margin on ingredient costs can only become more pronounced. This relationship may actually provide an incentive to dispense higher cost drug products. **We would recommend, therefore, that the Department consider adjusting its ingredient cost allowance.**

SURVEY OF ACQUISITION COSTS

The largest component of pharmacy reimbursement is payment to pharmacies for prescription drug ingredient costs. Most states base ingredient reimbursement on the Average Wholesale Price (AWP) which is available from published sources. Recent studies, including those performed by Myers and Stauffer LC in other states, have shown that pharmacies are able to purchase drugs at prices that are significantly below AWP. To determine the level of discount from AWP currently available to Kentucky pharmacies for the drugs most commonly dispensed to Medicaid recipients, Myers and Stauffer LC performed a study of drug acquisition costs.

Methodology

Development of Methodology

The study of acquisition cost is based upon a simple comparison of prices paid by pharmacies with the AWP in effect at the time of the drug purchase. Drug purchase prices for each pharmacy were obtained from the pharmacy's own invoices. Myers and Stauffer LC has used this method to study pharmaceutical acquisition costs in eight previous surveys. Such a technique has also commonly been used by the Office of the Inspector General (OIG) of the U.S. Department of Health and Human Services.¹ Results of previous studies performed by Myers and Stauffer LC and the OIG are included in Appendix B to this report.

Survey Procedures

Myers and Stauffer obtained a summary of the utilization of the pharmacy program by drug product from the Department for Medicaid Services. Using this

¹ The OIG has also used price lists obtained directly from wholesalers. The process to obtain such price lists could face legal obstacles and does not yield as compelling evidence of the actual price paid by a pharmacy as could be obtained from an invoice.

summary, a list of the top 1,000 single source and top 1,000 multi-source drug products ranked by total reimbursement for the calendar year ending December 31, 2000, was created. The drug summary file contained the following data elements summarizing utilization for each drug product:

- Number of prescriptions
- Number of units
- Dollar amount reimbursed

The file also included the following price information for each drug product for the sample months of May and November 2000:

- Average Wholesale Price
- Federal Upper Limit price (if applicable)

As summarized in the table below, the 2,000 drug products analyzed represent approximately 91% of Kentucky Medicaid drug reimbursement.

Table 2.1 Utilization Overview for Drugs in Sample

Drug Classification	Total Program Reimbursement	Program Reimbursement for Sampled Drug Products	Percent of Top Drugs in Total Program Reimbursement
Single Source Products	\$344,103,688	\$337,564,675	98.1%
Multi-Source Products	\$153,040,662	\$113,824,561	74.3%
Total	\$497,144,350	\$451,389,236	90.8%

The Medicaid pharmacy provider population included 1,191 pharmacies. All pharmacies were sent a letter from the Kentucky Department for Medicaid Services informing them that Myers and Stauffer would be performing a survey of pharmacy acquisition cost (see Exhibit 1). Pharmacies also received a request that they copy drug purchase invoices covering a one-month period. One-half of the pharmacies were requested to send invoices from May 2000, and the other half from November 2000 (see Exhibit 2). Pharmacies were requested to submit invoices for drug purchases from both wholesalers and manufacturers.

A small number of pharmacies indicated an inability to participate in the acquisition cost survey due to being recently opened or experiencing a change of ownership in the last six months (which precluded financial records from being available for the requested period). Additionally, there was a limited number of invoices received that did not meet the criteria for use in the survey. The primary problems with these invoices included invoices from the incorrect year or month,

purchase summaries that encompassed an extended time period, or invoices that lacked a standardized identifier (i.e. NDC or manufacturer item code).

Ultimately, usable invoices were received from 226 of the selected pharmacies after follow-up efforts to encourage participation. Characteristics of the total sample of 226 pharmacies compared to the study's eligible population are presented in Table 2.2.

Table 2.2 Sample Pharmacy Characteristics

Pharmacy Trait	EAC Study Eligible Population	Pharmacies Included in EAC Analysis
Number of Pharmacies	1,191	226
Average Annual Medicaid Volume	9,763	8,672
Medicaid Volume Standard Deviation	19,371	10,694
Percent Chain	42.2%	60.2%
Percent Urban	42.6%	38.5%

For the traits listed in Table 2.2, the sample of 226 pharmacies was tested to determine if it was representative of the population of Kentucky Medicaid provider pharmacies. Since the response rate of the sample pharmacies was less than 100 percent, the possibility of bias in the responding sample should be considered. To measure the likelihood of this possible bias, a chi square (χ^2) test was performed.

Among other attributes, a chi square test was used to determine whether the final sample was independent with respect to chains versus independents. It was noted that a somewhat disproportionate number of respondents were chain pharmacies. The slight over representation of chain pharmacies (compared to 42.2% of eligible Medicaid providers) was due to several reasons. First, the decision of a chain organization to file typically meant filing for all, or at least the majority, of its pharmacies participating in the Kentucky Medicaid program. There were three major pharmacy chains in Kentucky that sent usable invoice data, but these three chain organizations collectively supplied invoices for 136 pharmacies. The decision for an independent pharmacy to file, however, typically only affected one, or on some occasions, two stores. Chain organizations typically have corporate accounting offices or third party program managers in place to handle tasks such as supplying invoices. Owners of independent pharmacies, however, are often involved in many facets of their business operation, and consequently are in some cases less likely to have the time or resources available to complete a cost survey.

As there was some bias in the final sample, further analysis is indicated to determine whether there is a significant difference in costs of these two provider categories. This issue is further addressed in the "Analysis and Findings" section of this chapter.

From the invoices received, the drug purchase date, NDC number, drug name, strength, package size, quantity purchased, and extended price paid were entered into a database. Myers and Stauffer reviewed and edited the database, eliminating data entry errors. Data was input from 263,143 invoice line items (representing purchases of approximately \$33.1 million). Of these, there were 170,827 line items that matched the list of 2,000 drugs. Acquisition cost data for 1,673 of the 2,000 sample drug products is included in the study.

Many chain pharmacies operate a product warehouse that acts as a storage and distribution center for member chain stores and often operates as a profit center. Some of the chains submitted internally generated invoices for their drug purchases. The prices on these internal invoices reflected the warehouse cost of drugs and generally not true arms-length transactions. Although these invoices may include legitimate warehousing operational costs, they may also include a profit factor.

There were 68 chain stores in the sample of 226 that submitted internally produced invoices for the vast majority of drug purchases. The drug prices reflected on these invoices created some concerns regarding their validity. These concerns could not always be resolved during conversations with the submitters, therefore, many of the following findings are reported exclusive of the data from these stores' internal invoices.

Analysis and Findings

Invoice drug purchases were separated into the single source and multi-source categories for analysis. These two groups have distinctly different purchase discounts from AWP. Discounts for single source drug products were generally smaller than discounts for multi-source products. Additionally, the range of discounts for single source products was smaller than the range exhibited by multi-source products.

The analysis of acquisition cost focused on two areas:

- Distribution of acquisition cost by drug product
- Distribution of acquisition cost by pharmacy and pharmacy type

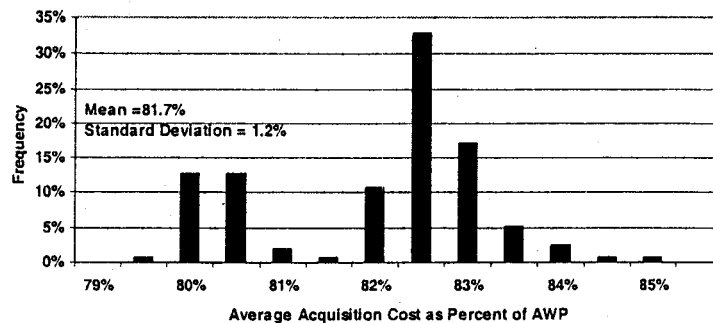
Single Source Drug Products

The following observations resulted from our analysis of the acquisition cost of single source drugs:

- For the 158 pharmacies² that provided invoices from external wholesalers, typical acquisition costs for single source drugs ranged from 80.0% to 82.6% of the AWP (the 20th and 80th percentiles, respectively). **The average acquisition cost was 81.7%, with a standard deviation of 1.2%.** (see Chart 2.1 and Exhibits 3 and 7).

- Including pharmacies which provided invoices from an internal wholesaler, the average acquisition cost for single source drugs was 82.7% of the AWP, with a standard deviation of 1.8%.

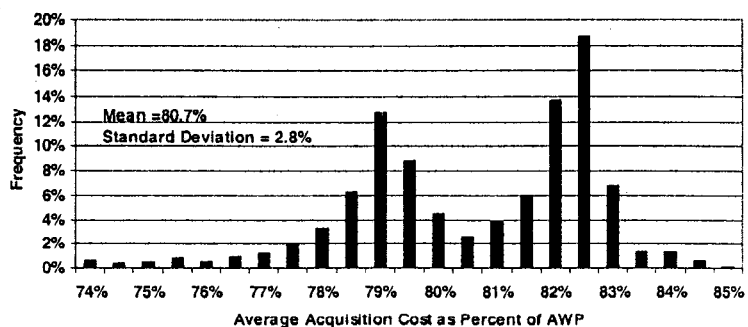
Chart 2.1 Acquisition Cost by Pharmacy
Brand Name Products
(Based on External Invoices Only)



- Some of the pharmacies in the sample were institutional providers that dispensed prescriptions to patients in long-term care or other institutional settings. Acquisition costs at these pharmacies for single source drug products averaged 81.2% of the AWP, as compared to 81.7% for pharmacies that dispensed prescriptions in traditional retail settings (see Table 2.4 and Exhibit 7).
- Of the sampled 1,000 single source drugs, 836 drug products were matched to one or more purchases. Of these 836 products, typical acquisition costs for single source drugs ranged from 79% to 83% of the AWP with an average acquisition cost of 81.6% of the AWP. (based on observations from external invoices only – see Exhibit 7).

- The distribution of acquisition costs as a percent of the AWP for single source drug products was bi-modal (see Chart 2.2). Many products had acquisition costs that clustered near the 78% - 80%, and 82% - 84% ranges.

Chart 2.2 Acquisition Cost by Drug Product
Brand Name Products
(Based on External Invoices Only)



² Of the 158 pharmacies with external invoices, there were observations of *single source drugs* from only 156 pharmacies.

Although drugs of all types fell into each of these ranges, the mode with lower acquisition costs as a percent of the AWP (i.e., higher discounts) included a greater concentration of antibiotics, estrogens, and cardiovascular drugs. The mode at the 82% - 84% range included a greater concentration of COX-2 inhibitors and drugs with central nervous system applications.

Multi-Source Drug Products

Although multi-source drug products are an important part of the Medicaid drug program, they account for a much smaller portion of program expenditures than single source products. Table 2.3 summarizes findings for multi-source products. A more in-depth treatment of multi-source product acquisition cost is included as an appendix.

Table 2.3 Multi-Source Drug Product Acquisition Cost Findings

Average Acquisition Cost as a Percent of Given Price Type ^A			
Price Type	Products without an FUL Price	Products with an FUL Price	Exhibit References
AWP	43.7%	16.0%	8, 9
FUL	-	40.7%	10

^A Percentages shown are the averages by drug product and are weighted by Medicaid utilization.

Analysis of Pharmacy Characteristics

In addition to analyzing the distribution of the acquisition cost of drugs by pharmacy and individual product, other characteristics were examined to determine statistical significance. These characteristics include:

- Institutional versus retail pharmacy setting
- Chain versus independent pharmacy affiliation
- Urban versus rural pharmacy location

For many of these characteristics, limiting the analysis to single source drug products was preferable because of the wide variation in acquisition cost of multi-source products. A wide variation in cost can make apparent differences statistically insignificant. It also is reasonable to limit some analyses to single source products because Kentucky expends a high proportion of its drug budget on prescriptions for these products.

In Tables 2.4 through 2.8, findings are expressed in terms of means and standard deviations. Exhibits 7 through 10 provide additional statistical measures including the standard error of the mean, confidence intervals and percentile rankings.

Through these statistical measures, recognition is given to the fact that the data available in this analysis represents only a sample of the total population. However, characteristics of the data, such as standard deviation and sample size, enable a reasonable prediction of the range in which the true population average lies.

Confidence intervals given in Exhibit 5 were calculated using appropriate statistics from the *t* distribution at the 95% confidence level. These intervals are a range estimate for the population mean, and are based upon the sample mean, standard deviation, and sample size. A 95% confidence interval identifies the range which one would expect the mean from *any* sample to fall 95% of the time. It can be inferred that there is a 95% probability that the population mean lies within the range of the confidence interval.

The following statistics of pharmaceutical acquisition cost, unless stated otherwise, include only pharmacies that submitted external invoices.

1) Institutional Versus Retail Pharmacy Setting

Of the 158 pharmacies in the sample (of which 156 had observations for single source products), seven were institutional pharmacies that dispensed prescriptions primarily to patients in long-term care settings as opposed to retail pharmacies that primarily dispensed prescriptions to ambulatory patients.

An analysis to determine the difference in acquisition cost between the institutional and retail pharmacies is best accomplished through a *t*-test.

Table 2.4 Institutional Versus Retail Pharmacies

Type of Pharmacy	Number of Observations	Number of Pharmacies	Acq. Cost as % of AWP	Standard Deviation
Institutional	627	7	81.2%	1.5%
Retail	45,104	149	81.7%	1.2%

Note: Observations are for Single Source Drug Products Only

In this case, the difference between institutional and retail pharmacies (with institutional pharmacies averaging lower acquisition costs) *was not* statistically significant at the 5% level of significance (for purchases of single source drug products). It is noted that Myers and Stauffer has observed in other studies of acquisition cost, including the study performed in the previous year for the Commonwealth of Kentucky, instances in which the acquisition costs at institutional pharmacies were significantly lower than retail pharmacies. In the current study, the data collected fails to show a statistically significant difference in acquisition cost.

2) Chain Versus Independent Pharmacy Affiliation

The difference in acquisition cost between chain and independent pharmacies was found to be significant for single source drug products. Chain pharmacies had average acquisition costs for single source drugs lower than their independent counterparts.

Table 2.5 Chain Versus Independent Pharmacies (Retail Only)

Type of Pharmacy	Number of Observations	Number of Pharmacies	Mean Acq. Cost as % of AWP	Standard Deviation
Chain	31,962	68	80.9%	1.1%
Independent	13,142	81	82.4%	0.9%

Note: Observations are for Single Source Drug Products Only

As previously noted, several of the chains perform an internal warehousing and wholesaling function and supplied in-house invoices for this study. It is possible that the actual acquisition costs incurred by chain pharmacies, net of warehousing and distribution costs, is less than indicated on an internal invoice. The average acquisition cost for the 136 chain pharmacies (including both internal and external invoices) was 82.9% of the AWP.

Previously it was mentioned that chain pharmacies were disproportionately represented in the population of pharmacies responding to the acquisition cost survey. The impact of that disproportionate representation is mitigated by the fact that only a portion of the chain data is represented in the analytical procedures relating to external invoices. It is believed that the overall impact of the balance between chain and independent pharmacy representation is minimal for the overall purposes of this study.

3) Urban Versus Rural Pharmacy Location

Myers and Stauffer used the zip code of each pharmacy to determine if it was located in a Metropolitan Statistical Area as used by the Centers for Medicare and Medicaid Services (CMS, formerly HCFA). Only in-state pharmacies were included in this analysis. The pharmacy's location in an urban or rural area was found to be significant (for single source drug products at the 5% level of significance).

Table 2.6 Urban Versus Rural Location (Retail Only)

Type of Pharmacy	Number of Observations	Number of Pharmacies	Mean Acq. Cost as % of AWP	Standard Deviation
Urban	23,259	63	81.3%	1.2%
Rural	21,495	85	82.1%	1.1%

Note: Observations are for Single Source Drug Products Only

Analysis of Drug Characteristics

Attention was also given to classifications of drug products to determine possible effects on acquisition cost. Acquisition cost for single source drugs (as a percent of the AWP) were arrayed by their classification to determine if the drugs' therapeutic use played a role in determining the acquisition cost.

Table 2.7 Acquisition Cost by Drug Classification

Drug Classification	Number of Observations	Number of Products	Mean Acq. Cost as % of AWP	Standard Deviation
Proton Pump Inhibitors	4,249	18	83.5%	2.1%
Miscellaneous Antipsychotic Agents	1,427	29	82.5%	2.8%
SSRI Antidepressants	5,871	24	82.1%	3.0%
COX-2 Inhibitors	2,832	14	81.9%	1.5%
Miscellaneous Anticonvulsants	3,315	42	82.2%	1.8%
HMG-COA Reductase Inhibitors	6,709	25	81.9%	2.1%
Miscellaneous Antidepressants	3,231	23	81.9%	2.4%
Antihistamines	4,718	18	82.5%	2.2%
Respiratory Inhalant Products	3,161	13	83.7%	1.4%
Macrolides	4,326	18	80.9%	1.8%
Quinolones	1,307	19	83.1%	2.5%
Calcium Channel Blocking Agents	3,435	32	81.7%	2.3%
All Other	66,241	560	81.6%	3.2%

Note: Observations are for single source drug products from all pharmacies in sample (internal and external invoices).

Although some of the differences in acquisition cost between drug classification are statistically significant, the breakdown of acquisition costs by classification primarily serves to reinforce the conclusion that discounts for single source drug products are almost universally available and consistent. **We did not find any class of drugs for which discounts from the AWP were not available.**

Probability Distribution Analysis

The acquisition cost study was performed using a representative sample of 158 pharmacies (which submitted external invoices) from a total population of about 1,200 Kentucky Medicaid pharmacy providers. Acquisition cost as a percent of AWP for single source drug products is relatively consistent among providers and drug products. Based on our prior experience, the level of discounts is consistent with our observations from other states. The low variance in the sample of 158 pharmacies allows us to draw conclusions regarding average acquisition cost from the sample and project them to the population of Medicaid pharmacy providers.

Earlier comments on the acquisition cost of single source products focused on two significant distributions:

- Acquisition cost by drug product
- Acquisition cost by pharmacy

If the distribution of acquisition cost of pharmacy providers and drug products can be assumed to have a normal distribution, there are certain estimates that can be made about the entire population. The most meaningful estimates include:

- The percent of pharmacies that may be unable to obtain a certain level of discount.
- The percent of drugs that may have an acquisition cost higher than a specified level.

These estimates are summarized in the following table and refer only to single source drug products.

Table 2.8 Probability Distribution for Single Source Drugs (Retail Only)³

Level of Acquisition Cost (as % of AWP)	Estimated Percent of Pharmacies with a Higher Average Acquisition Cost	Estimated Percent of Single Source Drug Products with a Higher Average Acquisition Cost
90%	0.0%	0.0%
89%	0.0%	0.2%
88%	0.0%	0.5%
87%	0.0%	1.3%
86%	0.0%	3.0%
85%	0.4%	6.3%
84%	3.2%	12.1%

Additionally, based on the low variance exhibited by single source drugs, a relatively small confidence interval exists for the mean acquisition cost. The true mean acquisition cost for the *entire population* is unknown and cannot reasonably be determined since surveying the entire pharmacy population would be cumbersome if not impossible. However, the sample mean and standard deviation allows certain conclusions to be made about the population mean. For the 158 pharmacies in the sample that provided external invoices (retail and institutional), the mean of each store's average acquisition cost as a percent of the AWP was 81.7% with a standard deviation of 1.2%. A 95% confidence interval for the mean ranges from 81.5% to 81.9%. This means that for *any* random sample taken from the population, we would expect the sample mean to fall in the confidence interval range 95% of the time⁴.

³ Estimates in Table 2.8 were derived from the standard normal distribution and are based on the data from the 158 pharmacies which supplies external invoices. The distribution of acquisition cost in retail pharmacies for single source drug products actually has a negative skew. This means that the assumption of a normal distribution has slightly *overstated* the actual probabilities. Hence, there are likely to be *fewer* pharmacies or drug products with average acquisition costs higher than 84% than shown by Table 2.8.

⁴ Additional confidence intervals are provided in Exhibits 7 through 10. The Central Limit Theorem of statistics suggests that for sufficiently large numbers of samples, the sample mean will be distributed *approximately* normal. Hence, the assumption of normality in the construction of confidence intervals is appropriate. The construction of the confidence intervals cited here and in the Exhibits were based upon the Student *t* distribution. The *t* distribution is more appropriate for small sample sizes and produces a more conservative (larger) confidence interval than would the use of the normal distribution.

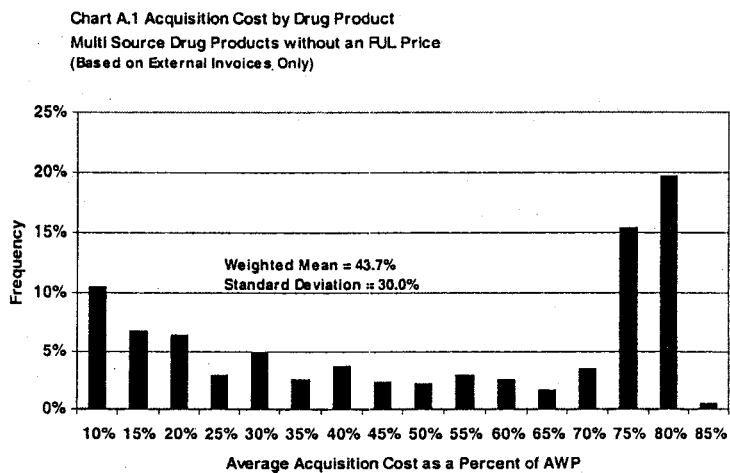
Appendix A. Acquisition Cost of Multi-Source Drugs

For analysis purposes, multi-source drug products were grouped in two categories: drugs with an FUL price and drugs without an FUL price. The distributions of acquisition cost for these two groups are significantly different.

1) Multi-Source Drug Products with No FUL Prices

In general, the acquisition cost as a percent of the AWP for multi-source products without federal upper limits are similar to those of single source drugs. However, there are a significant number of products purchased with acquisition costs much lower than the 80% to 85% range observed for single source drugs. Our analysis resulted in the following findings (referring to observations from external invoices):

- The average acquisition cost by pharmacy was 64.9% of the AWP (see Exhibit 8).
- Of the 595 products observed, the weighted average acquisition cost was of 43.7% of the AWP (see Exhibit 8).
- Many drug products fell in the 80% to 85% acquisition cost range (similar to single source drugs) with smaller numbers of drugs having acquisition costs as low as 10% of the AWP (see Chart A.1).



2) Multi-Source Drug Products with FUL Prices

The acquisition costs of multi-source drug products with an FUL price are distributed in a significantly different manner from multi-source products without an FUL. Observations based on analysis of these acquisition costs (from external invoices) follow:

- The average acquisition cost by pharmacy was 16.9% of the AWP (see Exhibit 9).

- There were 228 drug products matched with invoice purchase line items. Acquisition cost as a percent of the AWP for these products had a weighted average

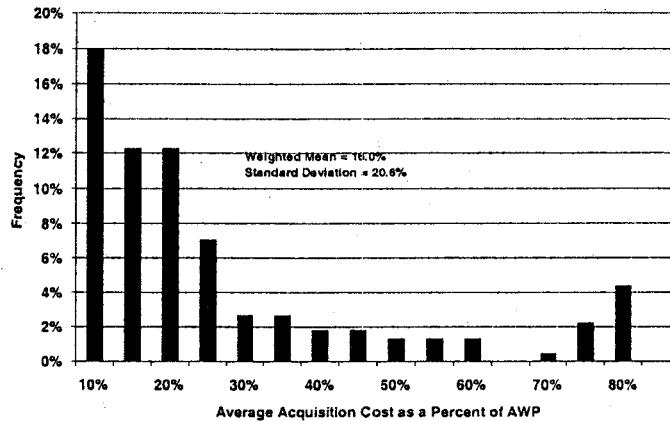
acquisition cost of 16.0% of the AWP (see Chart A.2 and Exhibit 9).

- The average acquisition cost as a percent of the AWP for most of these multi-source drugs was in the 10% to 30% range. There were some products in the range of 80% and higher. Less expensive generic versions of these brand-name products were often available in generic forms (e.g. Ritalin, and Tegretol).

The acquisition cost of these multi-source products was also analyzed as a percentage of their FUL price. The following findings resulted from that analysis:

- Acquisition cost by pharmacy as a percent of the FUL price was an average of 43.7% of the FUL price (see Exhibit 10).
- The average acquisition cost as a percent of FUL exceeded 100% for some pharmacies. These averages were typically highly skewed by the purchase of a brand name product for which a generic alternative is available.
- For individual drug products, acquisition cost as a percent of the FUL was a weighted average of 40.7% of the FUL price (see Exhibit 10).
- The acquisition cost as a percent of the FUL price for most of these multi-source products was in the 20% to 80% range. A small number of products fell in the range of 100% or higher (see Chart A.3). Less expensive generic versions are available for brand name products such as Ritalin and Tegretol. In theory, these products should only be dispensed to Medicaid patients on occasions when a physician has indicated that the brand name product is

Chart A.2 Acquisition Cost by Drug Product
Multi Source Drug Products with an FUL Price
(Based on External Invoices Only)



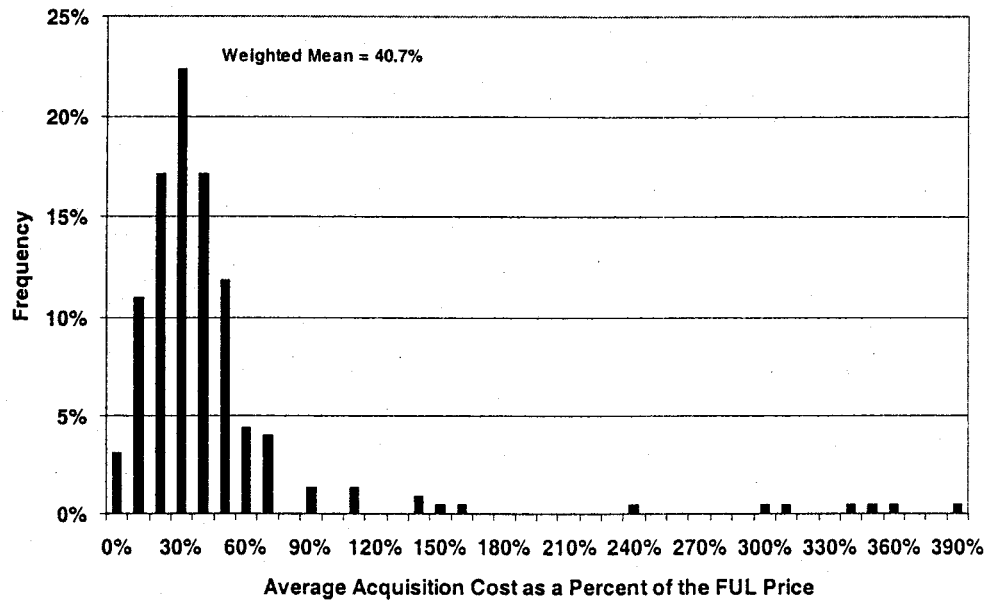
Effectiveness of FUL Prices

The pharmacy program currently reimburses the lesser of the Estimated Acquisition Cost (EAC – currently AWP minus 10%) or the FUL price.

For calendar year 2000, approximately \$34.4 million in savings was obtained by reimbursing the FUL price instead of the EAC price.

“medically necessary.” In those instances, the product would be reimbursed using the EAC rate (e.g. AWP minus 10%), not the FUL.

Chart A.3 Acquisition Cost by Drug Product
Multi Source Drug Products with an FUL Price
(Based on External Invoices Only)



Appendix B. Results from Previous Acquisition Cost Studies

The following table displays results from acquisition cost surveys performed by Myers and Stauffer LC and the Office of the Inspector General (OIG). Study results from other states have been consistent with the findings presented in the current study.

Table B.1 Results from Previous Studies of Pharmaceutical Acquisition Cost

Year of Study	Location	Source	Average Discount from AWP	
			Single Source Drugs	Multi-Source Drugs
1990	Wyoming	Myers and Stauffer LC	16.0%	N/A
1996	North Carolina	Office of the Inspector General – U.S. Department of Health and Human Services _A	16.9%	45.2%
1996	California	Office of the Inspector General – U.S. Department of Health and Human Services _B	17.5%	41.4%
1997	Eleven-State National Sample	Office of the Inspector General – U.S. Department of Health and Human Services _C	10% to 20% _D	42.5%
1998	Arkansas	Myers and Stauffer LC	17.3%	62% (Drugs with an Federal Upper Limit (FUL)) _E
1998	Kentucky	Myers and Stauffer LC	19.2%	72% (Drugs with an FUL)
1998	Wyoming	Myers and Stauffer LC	17.0%	73% (Drugs with an FUL)
1999	Utah	Office of the Inspector General – U.S. Department of Health and Human Services (in association with the Utah Dept. of Health) _F	18.4%	60.1%
1999	Louisiana	Myers and Stauffer LC	17.4%	70% (Drugs with an FUL) / 33% (Drugs without an FUL)
1999	Kentucky	Myers and Stauffer LC	17.1%	62% (Drugs with an FUL) / 31% (Drugs without an FUL)
2000	Kentucky	Myers and Stauffer LC	18.1%	79% (Drugs with an FUL) / 39% (Drugs without an FUL)
2001	Arkansas	Myers and Stauffer LC	17.8%	82% (Drugs with an FUL) / 46% (Drugs without an FUL)
2001	Eight-State National Sample	Office of the Inspector General – U.S. Department of Health and Human Services _G	21.84%	N/A

A. Office of the Inspector General (OIG) Report No. A-06-05-00071, September 4, 1996.

B. Office of the Inspector General (OIG) Report No. A-06-95-00062, May 31, 1996.

C. Office of the Inspector General (OIG) Report No. A-06-97-0011, August 4, 1997. The states in the sample were California, Delaware, District of Columbia, Florida, Maryland, Missouri, Montana, Nebraska, New Jersey, North Carolina, and Virginia.

D. The OIG study did not specifically address the issue of brand name drug product acquisition cost, but rather cited a June 1996 study by Barron's.

E. The Myers and Stauffer studies differentiate multi-source drug products by the existence of a federal upper limit (FUL) price.

F. Office of the Inspector General (OIG) Report Nos. A-06-99-00035 and A-06-99-00036.

G. Office of the Inspector General (OIG) Report Nos. A-06-00-00023. The states in the sample were Montana, Florida, Colorado, Indiana, Texas, Washington, West Virginia, and Wisconsin. Based on a preliminary review of the OIG report, Myers and Stauffer has concerns regarding the classification drugs deemed to be "brand" for purposes of the OIG report. Accordingly, caution is advised in the interpretation of the OIG's findings.

Table of Exhibits

Exhibit 1	Initial Letter from Kentucky Department for Medicaid Services
Exhibit 2	Initial Letter from Myers and Stauffer LC for Acquisition Cost Survey (The letter requesting invoices from November 2000 is shown. This letter was sent to one-half of Medicaid participating pharmacies. A similar letter requesting invoices from May 2000 was also sent to the other half of Medicaid participating pharmacies.)
Exhibit 3	Acquisition Cost Summary by Pharmacy – Single Source and Multi-Source Drug Products
Exhibit 4	Acquisition Cost Summary by Drug – Top 200 Single Source Drug Products
Exhibit 5	Acquisition Cost Summary by Drug – Top 200 Multi-Source Drug Products without an FUL Price
Exhibit 6	Acquisition Cost Summary by Drug – Top 200 Multi-Source Drug Products with an FUL Price
Exhibit 7	Statistical Summary of Acquisition Costs as a Percent of the AWP Price – Single Source Drug Products
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Exhibit 9	Statistical Summary of Acquisition Costs as a Percent of the AWP Price – Multi-Source Drug Products with an FUL Price
Exhibit 10	Statistical Summary of Acquisition Costs as a Percent of the FUL Price – Multi-Source Drug Products with an FUL Price



THE SECRETARY FOR HEALTH SERVICES
COMMONWEALTH OF KENTUCKY
275 EAST MAIN STREET
FRANKFORT 40621-0001
(502) 564-7042
(502) 564-7091 FAX

PAUL E. PATTON
GOVERNOR

MARCIA R. MORGAN
INTERIM SECRETARY

August 28, 2001

Dear Pharmacy Provider:

KRS 205.561 requires the Kentucky Cabinet for Health Services to conduct an annual research study to determine the average cost of dispensing prescription medications and the average cost of acquiring drugs for eligible Medicaid recipients, the current level of dispensing fee, and an estimate of additional revenues required to adequately adjust reimbursement to cover costs for pharmacies. The Cabinet is required to conduct this study and report findings to the Governor and the Legislative Research Commission by December 1, 2001. The Cabinet has contracted with the firm of Myers and Stauffer, Certified Public Accountants, to conduct the study.

The information received from the study will assist in determining the Kentucky Medicaid dispensing fee. The importance of accurately and promptly completing this survey in its entirety cannot be overemphasized. The accuracy of the survey depends to a great extent on the number of completed surveys. To ensure an accurate and valid measurement of dispensing costs, please **complete the survey form and return it by September 25, 2001**, to:

T. Allan Hansen
Myers and Stauffer LC
420 Nichols Road
Kansas City, MO 64112

The Cabinet and Myers and Stauffer guarantee the confidentiality of the responses. Thus, no pharmacy will be given access to another pharmacy's data. The Cabinet wants to remind you that in accordance with your Medicaid provider agreement, you are required "... to furnish the State or Federal agencies with any information requested regarding payments claimed for furnishing services..." and "... to permit representatives of the state and federal government ... the unrestricted right to examine, inspect, copy and audit all records pertaining to the provision of services furnished to Title XIX recipients".



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Myers and Stauffer_{LC}

Certified Public Accountants

August 29, 2001

To: Kentucky Medicaid Pharmacy Providers

The Kentucky Department for Medicaid Services has contracted with Myers and Stauffer LC to conduct dispensing cost and acquisition cost surveys as part of the on-going process to evaluate Medicaid fees for prescription medications in the state of Kentucky. All Kentucky pharmacy providers are requested to participate in the cost survey. We have conducted previous pharmacy cost surveys in Kentucky and fourteen other states and are pleased to again be working with pharmacies in the state of Kentucky.

All pharmacy providers in the state should participate in both surveys according to the following directions:

Dispensing Cost Survey

1. Complete and return the enclosed "Kentucky Medicaid Pharmacy Cost Report." Please review the survey instructions.
2. Retain a copy of the completed survey forms for your records.
3. For your convenience, we will complete a portion of the survey for you upon receipt of your business federal income tax return (Forms 1065, 1120, 1120S or Schedule C of Form 1040 and accompanying schedules). If you choose this option, you will still need to complete the following sections of the cost report prior to submission:
 - a. Pages 1 and 2 – Pharmacy attributes and other information
 - b. Page 3 – Line 1 (column 1) – prescription sales, and line 3 (columns 1 and 2) – prescription area and total store area.
 - c. Page 4 – Personnel costs – complete lines 31-45, all columns
 - d. Section III – Pharmacy Prescription Charges Survey
4. If your financial statements or tax return have not been completed for your most current fiscal year, please file a cost report using your prior year's financial statements (or tax return) and the corresponding prescription data for that year. The data will be adjusted accordingly.

Acquisition Cost Survey

1. Submit to Myers and Stauffer all drug purchase invoices from your wholesale drug supplier(s) for the dates November 1 through November 30, 2000.
2. Submit all invoices for drug purchases from brand name as well as generic pharmaceutical manufacturers and/or suppliers for the dates November 1 through November 30, 2000.
3. Please send copies of invoices. Submitted documents will not be returned.

It is very important that all pharmacies cooperate fully by filing an accurate cost report and submitting the requested drug purchase invoices.

Please submit all requested information no later than **September 25, 2001** to:

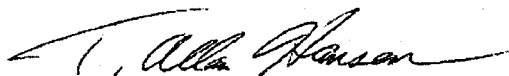
Myers and Stauffer LC
Certified Public Accountants
420 Nichols Road
Kansas City, Missouri 64112

Due to a pressing timeline set by the Legislature, there will not be any extensions to the due date. In order for your stores to be considered in the dispensing cost study, your survey forms must be received by the due date.

All cost reports will be reviewed by experienced staff at Myers and Stauffer LC. If this review yields any need for additional inquiries, you will be contacted by letter or telephone. At a later date, a limited sample of pharmacies will be selected for an on-site field examination. If your pharmacy is chosen for a field examination, you will be notified.

Reports generated from this study may be used as a basis for determining future reimbursement paid under the Medicaid program. All information submitted will be held in strict confidence. If you have any questions, please call toll free at 1-800-374-6858. Your cooperation in providing the information for this study is greatly appreciated.

Sincerely,



T. Allan Hansen
Project Manager

Acquisition Cost Summary by Pharmacy
Single Source and Multi-Source Drug Products
Kentucky Medicaid

Assigned Number	Pharmacy Type	Urban	Internal Invoices	Single Source Products		Multi-Source Products			
				Number of Observations	Average Acquisition Cost	Without FUL		With FUL	
						Number of Observations	Average Acquisition Cost	Number of Observations	Average Acquisition Cost
A	B	C	D	E	F	G	H	I	J
0198	IND			37	82.2%	17	62.2%	8	11.5%
0228	IND			208	82.1%	38	72.3%	13	19.1%
0406	CHN	X		186	79.8%	70	58.0%	35	9.3%
0621	IND			298	81.7%	130	66.4%	50	15.9%
0708	IND			232	81.6%	67	68.2%	28	17.5%
0815	IND			99	83.9%	31	65.5%	11	23.3%
0943	CHN	X		362	80.0%	163	62.4%	62	13.0%
1064	CHN		X	940	84.9%	234	71.8%	180	22.4%
1065	CHN	X		363	80.1%	174	62.2%	68	13.3%
1132	CHN	X		447	82.1%	186	62.7%	99	14.5%
1159	CHN		X	685	84.9%	309	70.7%	157	21.7%
1222	CHN	X		1,018	82.1%	422	64.5%	198	15.6%
1282	IND			260	81.9%	102	77.5%	19	23.6%
1304	CHN			1,060	82.1%	394	60.8%	156	13.6%
1385	CHN		X	1,282	85.0%	429	66.8%	204	24.9%
1413	IND			74	81.3%	52	60.7%	10	13.8%
1455	IND			69	82.2%	15	74.1%	2	83.7%
1498	INST			81	82.9%	26	75.2%	6	31.1%
1506	IND			44	82.4%	20	74.5%	5	40.4%
1551	IND	X		47	82.9%	18	63.3%	1	36.6%
1598	IND			380	81.5%	126	58.4%	62	12.4%
1615	CHN	X		349	80.0%	182	61.5%	67	13.9%
1628	CHN		X	598	85.0%	202	68.3%	98	21.3%
1637	CHN			333	80.0%	178	64.2%	64	12.6%
1644	IND	X		119	83.3%	42	74.9%	5	13.1%
1656	IND	X		162	82.9%	53	74.2%	12	11.4%
1666	CHN		X	1,333	84.9%	383	67.6%	210	22.5%
1701	IND			35	83.9%	9	75.3%	1	10.5%
1884	CHN			209	79.9%	113	62.5%	43	11.9%
1907	IND			94	83.1%	28	79.8%	3	16.7%
1910	IND			96	81.7%	24	74.8%	4	13.4%
1967	IND			182	82.0%	31	72.3%	11	33.0%
2001	CHN			851	82.1%	390	61.9%	172	16.2%
2023	CHN	X	X	1,299	85.0%	430	65.7%	258	23.5%
2054	CHN		X	1,479	85.0%	496	65.1%	296	23.6%
2067	IND			93	83.5%	30	81.9%	6	21.0%
2068	CHN		X	334	84.8%	111	71.2%	72	20.9%
2078	INST			88	79.7%	27	41.7%	2	2.8%
2237	CHN	X	X	1,002	84.9%	279	67.1%	165	20.8%
2411	CHN	X		368	80.0%	171	63.9%	65	13.3%
2462	CHN		X	893	84.9%	326	69.7%	221	22.6%
2550	IND			86	82.7%	28	65.4%	9	28.4%
2608	CHN		X	858	84.8%	320	68.9%	217	23.1%
2641	CHN	X		365	80.0%	190	60.8%	66	11.8%
2657	IND	X		97	82.4%	43	68.2%	14	12.4%
2666	IND			187	82.6%	60	53.4%	10	23.3%
2682	CHN	X		249	80.0%	141	62.5%	46	10.3%
2701	IND			78	81.6%	32	65.5%	6	28.1%
2707	CHN	X		223	79.9%	79	68.5%	37	10.0%
2716	CHN	X		500	82.1%	240	62.0%	94	13.4%

**Acquisition Cost Summary by Pharmacy
Single Source and Multi-Source Drug Products
Kentucky Medicaid**

Assigned Number	Pharmacy Type	Urban	Internal Invoices	Single Source Products		Multi-Source Products			
				Number of Observations	Average Acquisition Cost	Without FUL		With FUL	
						Number of Observations	Average Acquisition Cost	Number of Observations	Average Acquisition Cost
A	B	C	D	E	F	G	H	I	J
2717	IND	X		152	82.7%	29	75.9%	31	18.5%
2744	CHN		X	548	84.9%	211	68.1%	131	21.3%
2779	CHN			433	82.2%	197	62.5%	108	12.2%
2781	CHN			821	82.1%	334	61.5%	121	12.0%
2819	CHN	X	X	581	84.9%	187	69.6%	162	24.2%
2826	IND			209	84.8%	39	84.2%		
2828	CHN		X	1,012	85.0%	327	67.3%	182	21.6%
2875	CHN	X	X	957	84.9%	331	67.7%	190	22.3%
2904	CHN		X	779	84.9%	330	68.3%	175	22.4%
2933	CHN			563	82.1%	163	65.6%	65	13.1%
2963	CHN	X		321	79.8%	155	62.5%	50	10.5%
3014	IND	X		22	81.9%	5	77.5%		
3042	CHN	X		391	79.9%	189	61.9%	61	13.9%
3167	CHN	X		614	82.0%	270	64.3%	105	13.8%
3189	CHN	X		350	80.0%	188	63.4%	63	13.4%
3237	CHN	X		493	82.0%	204	62.4%	108	11.9%
3258	IND			1	80.0%	8	66.5%	4	12.0%
3306	CHN		X	691	84.7%	202	65.2%	152	22.1%
3315	IND			50	82.9%	22	76.2%	7	16.7%
3334	IND					21	34.5%	11	13.6%
3390	CHN	X	X	847	84.9%	259	69.0%	210	22.6%
3439	CHN			370	80.1%	189	61.9%	64	13.5%
3517	CHN	X		419	80.0%	210	61.0%	70	13.4%
3577	IND			207	82.3%	54	72.5%	11	20.4%
3592	CHN		X	1,081	84.9%	303	67.6%	203	20.9%
3621	CHN	X	X	725	85.0%	233	68.2%	149	22.4%
3752	CHN	X	X	750	84.9%	209	69.4%	152	24.8%
3797	CHN	X	X	1,064	84.9%	362	68.1%	202	22.4%
3875	CHN		X	820	85.0%	301	68.4%	163	23.6%
3893	IND			176	81.6%	52	72.6%	17	15.9%
3923	CHN			494	82.0%	191	59.3%	67	15.7%
3983	CHN		X	601	85.0%	197	70.7%	101	22.5%
3997	IND			379	81.9%	180	66.7%	60	16.5%
4030	CHN			331	79.9%	171	61.2%	60	13.1%
4117	CHN			372	80.0%	200	60.6%	73	13.2%
4130	IND			129	81.7%	44	69.6%	12	14.3%
4208	CHN	X		326	80.0%	159	64.9%	57	12.7%
4262	IND			89	82.5%	29	69.0%	11	14.8%
4274	CHN		X	982	84.8%	394	65.5%	177	19.9%
4279	IND			179	82.9%	29	78.0%	3	12.2%
4292	INST			16	80.7%	9	77.5%	2	42.9%
4318	IND			277	82.8%	60	66.9%	19	15.0%
4338	IND			365	81.7%	107	66.9%	27	26.5%
4343	CHN	X		567	82.1%	250	61.7%	90	13.2%
4387	IND			51	83.0%	7	73.6%	1	10.5%
4435	IND			228	82.8%	61	73.5%	15	16.5%
4464	CHN		X	1,324	84.9%	415	69.1%	254	23.0%
4496	CHN	X		808	82.1%	353	60.2%	107	14.8%
4532	INST			58	79.3%	34	60.0%	10	20.4%
4617	IND	X		73	83.1%	15	29.5%	7	9.8%

Acquisition Cost Summary by Pharmacy
Single Source and Multi-Source Drug Products
Kentucky Medicaid

Assigned Number	Pharmacy Type	Urban	Internal Invoices	Single Source Products		Multi-Source Products			
				Number of Observations	Average Acquisition Cost	Without FUL		With FUL	
						Number of Observations	Average Acquisition Cost	Number of Observations	Average Acquisition Cost
A	B	C	D	E	F	G	H	I	J
4623	IND			194	83.9%	56	72.8%	33	21.6%
4641	CHN	X		656	82.1%	244	59.3%	103	12.5%
4665	CHN	X		270	79.9%	142	60.8%	50	10.5%
4679	IND			99	82.1%	46	59.0%	15	20.8%
4844	CHN			280	80.1%	152	62.8%	51	11.9%
4912	IND			2	84.1%	6	39.5%	4	11.1%
4942	CHN	X		513	82.2%	189	64.7%	68	14.4%
4997	IND			225	81.7%	55	66.3%	30	15.0%
5057	CHN		X	1,248	85.0%	416	67.2%	235	23.2%
5137	IND			154	82.5%	53	69.4%	15	11.8%
5176	CHN		X	817	85.0%	253	67.8%	168	23.3%
5218	CHN	X		380	80.0%	192	63.5%	60	12.1%
5238	CHN		X	772	84.9%	294	65.5%	192	24.5%
5251	CHN		X	1,257	85.0%	445	67.6%	297	24.8%
5264	CHN			653	82.1%	350	58.3%	109	16.3%
5269	IND			421	83.1%	123	75.4%	30	21.5%
5282	CHN		X	782	84.9%	259	67.9%	155	22.3%
5329	CHN		X	1,236	84.9%	446	67.8%	268	21.5%
5458	CHN		X	775	84.9%	190	62.5%	156	23.5%
5519	CHN			292	79.9%	169	62.2%	60	10.8%
5528	IND			171	82.5%	56	69.3%	19	16.2%
5549	CHN		X	479	84.9%	156	71.4%	84	23.9%
5579	IND			22	82.7%	4	82.3%		
5605	CHN	X		346	80.0%	169	60.3%	66	12.9%
5606	CHN	X		766	82.1%	299	63.4%	124	16.1%
5622	CHN	X		454	82.0%	195	57.0%	103	15.3%
5631	CHN		X	1,218	84.9%	340	67.7%	217	21.3%
5687	IND	X		144	82.2%	25	74.9%	5	33.5%
5708	CHN	X		334	79.9%	159	64.4%	62	13.7%
5862	IND			76	81.0%	28	62.0%	18	17.9%
5876	IND			303	82.6%	74	63.9%	27	10.9%
5893	CHN		X	539	84.8%	150	70.4%	118	23.5%
5946	IND	X		195	82.1%	69	71.6%	38	15.0%
6041	IND			15	80.1%	39	55.6%	14	10.1%
6044	IND	X		176	82.1%	53	76.8%	10	17.3%
6062	CHN		X	836	84.9%	404	69.6%	207	24.0%
6092	CHN			329	79.9%	179	60.0%	68	14.7%
6150	CHN	X		336	80.1%	175	61.7%	64	13.2%
6158	IND			236	82.5%	66	72.9%	24	22.2%
6249	CHN	X		299	79.9%	161	60.9%	55	13.2%
6268	IND			112	83.1%	12	83.2%		
6308	CHN	X		868	82.1%	347	61.0%	214	16.3%
6313	IND			144	82.5%	47	68.4%	25	12.7%
6318	CHN		X	237	84.9%	68	66.9%	56	22.5%
6447	CHN			651	82.0%	262	64.3%	93	14.1%
6461	CHN	X		339	82.0%	137	56.2%	62	14.1%
6472	INST			256	80.9%	139	31.5%	32	15.8%
6494	IND			268	81.8%	113	69.6%	45	14.0%
6534	IND			96	82.3%	25	79.5%	6	28.6%
6545	CHN	X	X	866	84.9%	289	67.4%	190	22.3%

**Acquisition Cost Summary by Pharmacy
Single Source and Multi-Source Drug Products
Kentucky Medicaid**

Assigned Number	Pharmacy Type	Urban	Internal Invoices	Single Source Products		Multi-Source Products			
				Number of Observations	Average Acquisition Cost	Without FUL		With FUL	
						Number of Observations	Average Acquisition Cost	Number of Observations	Average Acquisition Cost
A	B	C	D	E	F	G	H	I	J
6771	IND			334	82.4%	78	76.2%	19	23.1%
6796	IND			37	82.1%	4	79.0%	1	40.9%
6926	IND			234	83.3%	64	71.7%	19	22.7%
6996	CHN	X	X	810	84.9%	250	69.9%	183	24.0%
7016	IND			161	82.4%	26	51.8%	11	22.0%
7039	IND			253	81.9%	59	73.4%	19	14.0%
7062	CHN	X		360	80.0%	170	60.8%	62	12.8%
7145	CHN	X	X	1,247	84.9%	403	69.1%	234	21.5%
7171	CHN		X	648	84.9%	193	68.5%	134	22.8%
7191	IND			119	82.8%	26	67.6%	5	31.1%
7289	CHN			717	82.1%	267	61.3%	115	16.7%
7337	CHN		X	1,015	84.9%	287	66.8%	184	22.7%
7431	IND			258	83.0%	58	76.0%	8	37.0%
7460	CHN	X		876	82.1%	364	60.1%	127	14.9%
7477	IND			73	83.4%	15	35.4%	6	9.4%
7485	IND			201	82.6%	47	73.3%	16	22.4%
7538	CHN		X	1,390	85.0%	475	69.9%	282	24.2%
7588	CHN	X	X	894	84.8%	259	71.7%	143	19.5%
7617	CHN	X	X	997	84.8%	352	67.4%	212	23.1%
7639	CHN	X		140	80.0%	62	63.0%	22	10.5%
7658	IND	X		855	82.8%	186	70.9%	26	22.8%
7830	CHN	X	X	1,868	84.9%	658	68.5%	315	21.7%
7896	CHN	X		320	80.1%	159	64.2%	58	13.8%
7955	CHN	X	X	1,213	84.9%	341	69.0%	271	22.5%
7978	CHN	X		610	82.0%	241	65.3%	92	15.6%
7986	INST			42	82.7%	14	73.3%	2	20.6%
7994	CHN	X		467	82.1%	199	57.1%	85	16.4%
8012	CHN			825	82.1%	343	58.9%	151	14.6%
8056	CHN		X	1,108	84.9%	384	62.9%	221	22.6%
8086	CHN	X		377	80.0%	195	60.0%	66	13.7%
8117	IND	X		164	81.9%	58	67.2%	16	18.3%
8124	CHN	X		405	80.1%	203	61.1%	69	13.3%
8231	IND			126	82.9%	30	68.8%	5	10.4%
8268	CHN	X		361	80.0%	183	61.4%	57	12.2%
8321	CHN			626	82.1%	218	62.7%	70	11.5%
8340	CHN	X		264	80.0%	154	63.0%	49	12.9%
8413	CHN		X	1,021	85.0%	353	66.5%	232	20.8%
8469	CHN	X	X	874	84.9%	322	70.1%	188	24.1%
8479	IND			79	82.6%	19	67.2%	5	11.0%
8518	CHN	X	X	1,283	84.9%	374	67.7%	275	22.4%
8526	CHN		X	1,143	84.9%	383	68.7%	221	22.8%
8548	IND			7	77.9%	2	5.2%	1	19.0%
8563	CHN		X	741	84.8%	222	68.8%	142	22.2%
8607	IND					14	39.3%	8	10.9%
8638	IND			93	82.2%	30	75.4%	21	17.6%
8684	CHN	X	X	1,253	84.8%	450	70.3%	264	22.3%
8756	CHN		X	1,214	84.9%	409	64.6%	215	21.7%
8779	IND	X		226	82.1%	76	66.7%	21	12.2%
8817	IND	X		97	82.4%	37	71.4%	9	17.2%
8872	CHN			358	82.0%	161	66.0%	90	17.4%

Acquisition Cost Summary by Pharmacy
Single Source and Multi-Source Drug Products
Kentucky Medicaid

Assigned Number	Pharmacy Type	Urban	Internal Invoices	Single Source Products		Multi-Source Products			
				Number of Observations	Average Acquisition Cost	Without FUL		With FUL	
						Number of Observations	Average Acquisition Cost	Number of Observations	Average Acquisition Cost
A	B	C	D	E	F	G	H	I	J
8919	CHN		X	901	85.0%	268	68.2%	153	21.6%
8953	CHN		X	894	84.9%	343	67.9%	187	24.0%
8967	CHN	X	X	880	84.9%	305	67.4%	206	23.1%
9075	CHN	X		250	80.0%	117	63.4%	48	12.3%
9183	IND	X		143	82.6%	46	63.8%	13	19.4%
9208	CHN		X	1,516	84.9%	507	67.8%	270	23.7%
9285	CHN			350	80.0%	169	61.2%	60	13.8%
9286	IND	X		6	83.6%				
9298	CHN		X	1,695	85.0%	655	68.3%	304	24.4%
9322	IND	X		179	82.5%	41	73.8%	9	21.9%
9341	IND			122	82.7%	61	71.0%	18	14.3%
9389	CHN	X	X	1,335	84.9%	464	67.2%	221	21.8%
9415	CHN	X	X	821	84.9%	233	67.9%	154	21.8%
9433	INST			86	82.4%	28	74.8%	3	22.9%
9440	CHN		X	1,428	84.9%	499	68.8%	248	22.4%
9468	CHN	X		649	82.1%	222	60.4%	89	14.6%
9473	CHN		X	386	85.0%	167	66.3%	97	21.7%
9475	CHN			535	82.2%	222	63.3%	100	16.0%
9601	CHN			195	79.6%	57	68.3%	11	10.5%
9628	CHN		X	816	84.9%	230	66.1%	120	22.0%
9704	IND			529	82.5%	120	61.9%	40	16.2%
9746	IND	X		88	82.6%	19	75.8%	6	19.7%
9779	CHN	X	X	717	84.8%	214	69.2%	160	21.6%
9795	CHN	X		955	82.1%	492	62.1%	181	16.8%
9804	IND			141	82.3%	66	66.0%	19	13.4%
9936	CHN	X	X	584	84.9%	189	71.6%	119	22.9%
Number of Stores					224		225		221
Number of Observations					110,950		40,081		19,796
Average					82.7%		65.9%		18.6%
Standard Deviation					1.8%		8.8%		7.6%
Maximum					85.0%		84.2%		83.7%
80th Percentile					84.9%		71.5%		22.8%
Median					82.5%		67.1%		17.3%
20th Percentile					81.0%		61.7%		13.1%
Minimum					77.9%		5.2%		2.8%

Acquisition Cost Summary by Pharmacy Single Source and Multi-Source Drug Products Kentucky Medicaid

Explanation of Columns

A. Random number assigned to pharmacy

B. Designates type of pharmacy:

CHN = chain pharmacy,

IND = independent pharmacy,

INST = institutional pharmacy.

Chain versus independent designation is based upon a review by Myers and Stauffer. A chain includes 5 or more stores. The institutional designation is based upon review of the percentage of Medicaid prescriptions that were dispensed to residents of long-term care facilities.

C. An "X" in this column indicates that the pharmacy is located in an urban area. Each pharmacy's zip code was used to determine the county in which it was located. Counties in a Metropolitan Statistical Area as used by the Centers for Medicare and Medicaid Services (CMS) were considered urban.

D. An "X" in this column indicates that the invoices submitted by the pharmacy were primarily "internal" invoices from a related-party wholesale entity. Drug prices on these invoices do not represent true "arms-length" transactions.

E. Number of invoice line items for single source drugs that matched the top 2,000 list of drugs reimbursed by Medicaid

F. Average acquisition cost as a percent of AWP for single source drugs. The average for each pharmacy was weighted by Kentucky Medicaid volume.

G. Number of invoice line items for multi-source drugs (without an FUL) that matched the top 2,000 list of drugs reimbursed by Medicaid.

H. Average acquisition cost as a percent of AWP for multi-source drugs (without an FUL). The average for each pharmacy was weighted by Kentucky Medicaid volume.

I. Number of invoice line items for multi-source drugs (with an FUL) that matched the top 2,000 list of drugs reimbursed by Medicaid.

J. Average acquisition cost as a percent of AWP for multi-source drugs (with an FUL). The average for each pharmacy was weighted by Kentucky Medicaid volume.

Exhibit 4

Acquisition Cost Summary by Drug Top 200 Single Source Drug Products Kentucky Medicaid (Limited to Observations from External Invoices)

NDC Number	Description	No. of Obs.	No. of Obs. (Inst.)	No. of Obs. (Retail)	Average Actual Acquisition Cost	AWP	Average Acquisition Cost as % of AWP	Standard Deviation	Average Acquisition Cost (Inst.)	Average Acquisition Cost (Retail)
A	B	C	D	E	F	G	H	I	J	K
00310040260	ACCOLATE 20MGTABLET	180		180	0.8607	1.0431	82.5%	1.8%		82.5%
62856024330	ACIPHEX 20MGTABLET EC	197	1	196	3.0822	3.7186	82.9%	0.7%	82.3%	82.9%
64764015104	ACTOS 15MGTABLET	82		82	2.3679	2.8595	82.8%	0.9%		82.8%
64764030114	ACTOS 30MGTABLET	120	3	117	3.8158	4.6078	82.8%	0.8%	81.1%	82.9%
64764045124	ACTOS 45MGTABLET	62		62	4.1153	4.9842	82.6%	0.8%		82.6%
58521003201	ADDERALL 10MGTABLET	54		54	0.5580	0.6987	79.8%	0.4%		79.8%
58521003301	ADDERALL 20MGTABLET	28		28	0.9416	1.1784	79.9%	0.4%		79.9%
00456067299	AEROBID 250MCGAER W/ADAP	67		67	7.9087	9.5729	82.6%	1.1%		82.6%
00088110947	ALLEGRA 180MGTABLET	139	1	138	1.6767	2.0676	81.1%	2.2%	84.7%	81.1%
00088110247	ALLEGRA 60MGCAPSULE	343		343	0.8580	1.0338	83.0%	0.6%		83.0%
00039022310	AMARYL 4MGTABLET	155	1	154	0.6444	0.7776	82.9%	0.9%	79.3%	82.9%
62856024630	ARICEPT 10MGTABLET	110	3	107	3.4343	4.3454	79.0%	1.5%	77.5%	79.1%
62856024641	ARICEPT 10MGTABLET	5	2	3	3.3780	4.3453	77.7%	2.3%	75.3%	79.4%
62856024530	ARICEPT 5MGTABLET	103	3	100	3.4530	4.3454	79.5%	1.2%	80.3%	79.4%
62856024541	ARICEPT 5MGTABLET	2	1	1	3.3968	4.3453	78.2%	4.1%	75.3%	81.1%
00597008214	ATROVENT 18MCGAER W/ADAP	229	3	226	2.3009	2.7764	82.9%	0.6%	81.3%	82.9%
00029609251	AUGMENTIN 400-57MG/5SUSP RECON	185	1	184	0.5462	0.6810	80.2%	1.7%	81.3%	80.2%
00029608012	AUGMENTIN 500-125MGTABLET	233	2	231	2.9974	3.7376	80.2%	1.8%	81.3%	80.2%
00029608612	AUGMENTIN 875-125MGTABLET	248		248	3.9989	4.9900	80.1%	1.5%		80.1%
00029315920	AVANDIA 4MGTABLET	122	1	121	1.9976	2.5000	79.9%	1.4%	81.3%	79.9%
00029315913	AVANDIA 4MGTABLET	36	3	33	2.0242	2.5000	81.0%	1.7%	81.2%	80.9%
00029316013	AVANDIA 8MGTABLET	165	1	164	3.6622	4.5633	80.3%	1.7%	82.2%	80.2%
59627000103	AVONEX ADMINISTRATION PACK 30MCGKIT	8		8	185.3388	222.6000	83.3%	0.3%		83.3%
00002314460	AXID 150MGCAPSULE	176		176	1.5768	1.8658	84.5%	2.3%		84.5%
00075006037	AZMACORT 100MCGAER W/ADAP	217	1	216	2.2037	2.7710	79.5%	0.6%	77.6%	79.5%
00074336860	BIAXIN 250MGTABLET	57		57	2.9736	3.7650	79.0%	1.1%		79.0%
00074258660	BIAXIN 500MGTABLET	140		140	2.9882	3.7650	79.4%	1.4%		79.4%
00087771864	CEFZIL 125MG/5MLSUSP RECON	100		100	0.2699	0.3279	82.3%	1.2%		82.3%
00087771964	CEFZIL 250MG/5MLSUSP RECON	186		186	0.4899	0.5940	82.5%	1.2%		82.5%
00087772060	CEFZIL 250MGTABLET	38		38	2.7937	3.4310	81.4%	1.3%		81.4%
00087772160	CEFZIL 500MGTABLET	15		15	5.7112	6.9888	81.7%	1.2%		81.7%
00025152031	CELEBREX 100MGCAPSULE	172	2	170	1.1849	1.4300	82.9%	0.9%	81.6%	82.9%
00025152531	CELEBREX 200MGCAPSULE	370	3	367	2.0080	2.4200	83.0%	0.7%	80.8%	83.0%
00456402001	CELEXA 20MGTABLET	222	4	218	1.7408	2.0977	83.0%	1.0%	80.3%	83.0%
00456404001	CELEXA 40MGTABLET	85		85	1.8089	2.1889	82.6%	0.8%		82.6%

Exhibit 4

Acquisition Cost Summary by Drug Top 200 Single Source Drug Products Kentucky Medicaid (Limited to Observations from External Invoices)

NDC Number	Description	No. of Obs.	No. of Obs. (Inst.)	No. of Obs. (Retail)	Average Actual Acquisition Cost	AWP	Average Acquisition Cost as % of AWP	Standard Deviation	Average Acquisition Cost (Inst.)	Average Acquisition Cost (Retail)
A	B	C	D	E	F	G	H	I	J	K
00026851251	CIPRO 250MGTABLET	48	1	47	3.0745	3.7621	81.7%	1.3%	77.6%	81.8%
00026851351	CIPRO 500MGTABLET	158	1	157	3.5987	4.4038	81.7%	2.6%	82.6%	81.7%
00085112802	CLARITIN 10MG TAB DIS LI	247		247	2.2081	2.6611	83.0%	0.8%		83.0%
00085045803	CLARITIN 10MGTABLET	287	2	285	1.9134	2.3069	82.9%	0.8%	81.6%	83.0%
00085045804	CLARITIN 10MGTABLET	2	2		1.8746	2.3345	80.3%	2.6%	80.3%	
00085063501	CLARITIN-D 12 HOUR 120-5MG TAB SR 12H	252		252	1.0764	1.2984	82.9%	0.8%		82.9%
00085123301	CLARITIN-D 24 HOUR 240-10MG TAB SR 24H	152		152	2.1428	2.5884	82.8%	0.9%		82.8%
00597001314	COMBIVENT 103-18MCGAER W/ADAP	318	5	313	2.2675	2.7284	83.1%	1.0%	82.2%	83.1%
00173059500	COMBIVIR 300-150MGTABLET	17		17	8.0761	9.8512	82.0%	0.7%		82.0%
00006095258	COZAAR 50MGTABLET	154	1	153	1.0351	1.3010	79.6%	0.8%	81.3%	79.5%
00075002600	DDAVP 0.2MGTABLET	40		40	2.2273	2.8187	79.0%	0.8%		79.0%
00004026401	DEMADEX 20MGTABLET	109		109	0.5914	0.7160	82.6%	1.5%		82.6%
00074621413	DEPAKOTE 250MGTABLET EC	131		131	0.7026	0.8864	79.3%	1.1%		79.3%
00074621513	DEPAKOTE 500MGTABLET EC	131		131	1.2947	1.6350	79.2%	1.0%		79.2%
00074621511	DEPAKOTE 500MGTABLET EC	6	3	3	1.3536	1.6528	81.9%	2.2%	83.9%	79.9%
00074621553	DEPAKOTE 500MGTABLET EC	7	1	6	1.2994	1.6350	79.5%	0.3%	80.0%	79.4%
00009454402	DETROL 2MGTABLET	202	4	198	1.0588	1.3317	79.5%	0.7%	77.6%	79.5%
00049350079	DIFLUCAN 150MGTABLET	99		99	9.3941	11.8889	79.0%	1.3%		79.0%
00083400001	DIOVAN 80MGCAPSULE	126	1	125	1.0239	1.2936	79.2%	1.5%	81.3%	79.1%
17314850001	DITROPAN XL 5MGTABLET SA	50		50	1.8549	2.3326	79.5%	1.8%		79.5%
50458003605	DURAGESIC 100MCG/HRPATCH TD72	13	2	11	33.0892	39.7822	83.2%	0.6%	83.3%	83.2%
50458003405	DURAGESIC 50MCG/HRPATCH TD72	26	1	25	16.1516	19.5805	82.5%	4.9%	85.7%	82.4%
00008083601	EFFEXOR XR 150MGCAP SR.24H	92		92	2.0078	2.5288	79.4%	1.1%		79.4%
00008083301	EFFEXOR XR 75MGCAP SR 24H	155	2	153	1.8456	2.3217	79.5%	0.7%	80.1%	79.5%
58406042534	ENBREL 25MGKIT	17		17	113.1785	141.4876	80.0%	0.4%		80.0%
00002416530	EVISTA 60MGTABLET	282	1	281	1.7561	2.1159	83.0%	0.8%	83.3%	83.0%
00597005801	FLOMAX 0.4MGCAP SR.24H	138	2	136	1.2871	1.5423	83.5%	0.7%	81.6%	83.5%
00173045301	FLONASE 50MCGSPRAY	482	4	478	2.7830	3.3508	83.1%	0.8%	81.4%	83.1%
00173049400	FLOVENT 110MCGAER W/ADAP	238	4	234	3.9972	4.8209	82.9%	1.0%	81.9%	82.9%
00173049500	FLOVENT 220MCGAER W/ADAP	158	1	157	6.1484	7.4203	82.9%	1.0%	79.2%	82.9%
00173049100	FLOVENT 44MCGAER W/ADAP	122	2	120	2.9906	3.6111	82.8%	0.9%	81.9%	82.8%
00006093631	FOSAMAX 10MGTABLET	177		177	1.6905	2.0465	82.6%	0.9%		82.6%
00006093658	FOSAMAX 10MGTABLET	86		86	1.6887	2.0500	82.4%	1.1%		82.4%
00087607111	GLUCOPHAGE 1000MGTABLET	213		213	1.1565	1.4190	81.5%	2.8%		81.5%
00087606005	GLUCOPHAGE 500MGTABLET	320	8	312	0.5630	0.6889	81.7%	2.6%	83.9%	81.7%

Exhibit 4

Acquisition Cost Summary by Drug Top 200 Single Source Drug Products Kentucky Medicaid (Limited to Observations from External Invoices)

NDC Number	Description	No. of Obs.	No. of Obs. (Inst.)	No. of Obs. (Retail)	Average Actual Acquisition Cost	AWP	Average Acquisition Cost as % of AWP	Standard Deviation	Average Acquisition Cost (Inst.)	Average Acquisition Cost (Retail)
A	B	C	D	E	F	G	H	I	J	K
00087606010	GLUCOPHAGE 500MGTABLET	73	2	71	0.5663	0.6883	82.3%	1.6%	83.0%	82.3%
00087607005	GLUCOPHAGE 850MGTABLET	157	2	155	0.9495	1.1708	81.1%	2.7%	84.2%	81.1%
00049156066	GLUCOTROL XL 10MGTABLET SA	194	2	192	0.5577	0.7029	79.3%	1.2%	77.6%	79.4%
00173046002	IMITREX 25MGTABLET	77		77	13.2828	16.0690	82.7%	0.9%		82.7%
00173045900	IMITREX 50MGTABLET	184		184	13.2530	16.0067	82.8%	0.8%		82.8%
00085078701	K-DUR 20MEQTABLET SR	189	1	188	0.4282	0.5187	82.6%	0.9%	82.4%	82.6%
00173064255	LAMICTAL 100MGTABLET	33		33	1.8044	2.1866	82.5%	0.8%		82.5%
00173063302	LAMICTAL 25MGTABLET	18		18	1.6922	2.0568	82.3%	0.8%		82.3%
00045152550	LEVAQUIN 500MGTABLET	134		134	7.0555	8.5340	82.7%	0.7%		82.7%
00045152510	LEVAQUIN 500MGTABLET	3	3		7.0187	8.5853	81.8%	1.1%	81.8%	
00071015523	LIPITOR 10MGTABLET	472	3	469	1.6360	1.9705	83.0%	0.7%	83.6%	83.0%
00071015623	LIPITOR 20MGTABLET	348	1	347	2.5279	3.0463	83.0%	0.8%	82.6%	83.0%
00071015723	LIPITOR 40MGTABLET	174		174	2.8971	3.4979	82.8%	0.7%		82.8%
00083226030	LOTREL 10-5MGCAPSULE	120	1	119	1.4483	1.7483	82.8%	0.8%	84.7%	82.8%
00083226530	LOTREL 20-5MGCAPSULE	128		128	1.5264	1.8514	82.4%	1.4%		82.4%
00149071001	MACROBID 100MGCAPSULE	83		83	1.3186	1.6115	81.8%	1.8%		81.8%
00015050842	MEGACE 40MG/MLORAL SUSP	63	12	51	0.5101	0.6179	82.6%	1.8%	84.5%	82.1%
00006073161	MEVACOR 20MGTABLET	84	1	83	1.9317	2.4305	79.5%	0.8%	81.3%	79.5%
00078031190	MIACALCIN 200U/DOSES PRAY/PUMP	266	7	259	12.8025	15.4432	82.9%	0.8%	81.5%	82.9%
00075150616	NASACORT AQ 55MCGSPRAY	193	2	191	2.0433	2.5659	79.6%	0.7%	80.6%	79.6%
00085119701	NASONEX 50MCGSPRAY	329	1	328	2.5959	3.1258	83.0%	0.8%	84.7%	83.0%
55513054610	NEUPOGEN 480MCG/1.6VIAL	2		2	143.2569	179.6250	79.8%			79.8%
00071080324	NEURONTIN 100MGCAPSULE	144	2	142	0.3852	0.4643	83.0%	0.9%	84.7%	82.9%
00071080524	NEURONTIN 300MGCAPSULE	281	2	279	0.9628	1.1608	82.9%	0.7%	82.1%	82.9%
00071080624	NEURONTIN 400MGCAPSULE	148		148	1.1556	1.3929	83.0%	0.9%		83.0%
00071041624	NEURONTIN 600MGTABLET	61		61	1.6203	1.9733	82.1%	4.4%		82.1%
00069154068	NORVASC 10MGTABLET	262	2	260	1.7306	2.1744	79.6%	0.6%	79.3%	79.6%
00069153068	NORVASC 5MGTABLET	172	1	171	1.0818	1.3651	79.2%	1.2%	75.3%	79.3%
00069153072	NORVASC 5MGTABLET	93		93	1.0681	1.3379	79.8%	0.4%		79.8%
00069153041	NORVASC 5MGTABLET	6	4	2	1.0716	1.3652	78.5%	2.7%	78.1%	79.2%
00062190315	ORTHO TRI-CYCLEN 7-7-7TABLET	168		168	0.8911	1.0758	82.8%	0.7%		82.8%
59011010310	OXYCONTIN 20MG TAB SR 12H	63		63	1.8591	2.3260	79.9%	0.5%		79.9%
59011010510	OXYCONTIN 40MG TAB SR 12H	40		40	3.2959	4.1266	79.9%	0.4%		79.9%
00029321013	PAXIL 10MGTABLET	212	3	209	1.9455	2.3467	82.9%	0.8%	84.6%	82.9%
00029321120	PAXIL 20MGTABLET	298		298	2.0277	2.4503	82.8%	0.8%		82.8%

Exhibit 4

Acquisition Cost Summary by Drug
Top 200 Single Source Drug Products
Kentucky Medicaid
(Limited to Observations from External Invoices)

NDC Number	Description	No. of Obs.	No. of Obs. (Inst.)	No. of Obs. (Retail)	Average Actual Acquisition Cost	AWP	Average Acquisition Cost as % of AWP	Standard Deviation	Average Acquisition Cost (Inst.)	Average Acquisition Cost (Retail)
A	B	C	D	E	F	G	H	I	J	K
00029321113	PAXIL 20MGTABLET	68		68	2.0447	2.4333	84.0%	1.6%		84.0%
00029321121	PAXIL 20MGTABLET	1		1	2.0631	2.4830	83.1%			83.1%
00029321213	PAXIL 30MGTABLET	152	4	148	2.0868	2.5218	82.7%	0.9%	83.9%	82.7%
00029321313	PAXIL 40MGTABLET	176	2	174	2.2099	2.6655	82.9%	0.9%	83.3%	82.9%
00008049801	PHENERGAN 12.5MGSUPPOS.	85		85	2.5592	3.2255	79.3%	0.8%		79.3%
00008021201	PHENERGAN 25MGSUPPOS.	113	2	111	2.9482	3.7184	79.3%	1.8%	81.1%	79.2%
63653117101	PLAVIX 75MGTABLET	158		158	2.6518	3.2147	82.5%	0.8%		82.5%
63653117103	PLAVIX 75MGTABLET	2	2		2.6682	3.2147	83.0%		83.0%	
63653117106	PLAVIX 75MGTABLET	1		1	2.7110	3.2148	84.3%			84.3%
00003517805	PRAVACHOL 20MGTABLET	198	1	197	1.9329	2.4300	79.5%	0.8%	79.3%	79.5%
00003519410	PRAVACHOL 40MGTABLET	159		159	3.1350	3.9426	79.5%	0.8%		79.5%
00046086781	PREMARIN 0.625MGTABLET	261	1	260	0.4838	0.6069	79.7%	0.3%	78.6%	79.7%
00046086791	PREMARIN 0.625MGTABLET	60		60	0.4558	0.5875	77.6%	1.6%		77.6%
00046086681	PREMARIN 1.25MGTABLET	178	1	177	0.6756	0.8477	79.7%	0.3%	79.0%	79.7%
00046087506	PREMPRO 0.625-2.5TABLET	404	2	402	0.7568	0.9518	79.5%	0.8%	80.6%	79.5%
00300154130	PREVACID 15MGCAPSULE EC	197		197	3.1619	3.8077	83.0%	0.9%		83.0%
00300154111	PREVACID 15MGCAPSULE EC	6	3	3	3.0265	3.8077	79.5%	6.7%	73.8%	85.2%
00300304613	PREVACID 30MGCAPSULE EC	366	1	365	3.2254	3.8802	83.1%	0.9%	78.0%	83.1%
00300304611	PREVACID 30MGCAPSULE EC	10	6	4	2.9960	3.8802	77.2%	6.3%	72.6%	84.2%
00300304619	PREVACID 30MGCAPSULE EC	5		5	3.2073	3.8802	82.7%	0.5%		82.7%
00186074231	PRILOSEC 20MGCAPSULE EC	612	5	607	3.4351	4.1392	83.0%	0.7%	83.5%	83.0%
61113074231	PRILOSEC 20MGCAPSULE EC	2		2	3.4580	4.1392	83.5%			83.5%
00186074282	PRILOSEC 20MGCAPSULE EC	10		10	3.4279	4.1393	82.8%	0.7%		82.8%
00186074228	PRILOSEC 20MGCAPSULE EC	5	4	1	3.4630	4.1394	83.7%	0.4%	83.5%	84.5%
00186074331	PRILOSEC 40MGCAPSULE EC	117		117	4.9140	5.9400	82.7%	1.0%		82.7%
00085113201	PROVENTIL HFA 105MCGAER W/ADAP	190		190	3.7809	4.5608	82.9%	1.2%		82.9%
00777310402	PROZAC 10MGCAPSULE	80	4	76	2.1395	2.6156	81.8%	2.3%	81.0%	81.9%
00777310502	PROZAC 20MGCAPSULE	353	1	352	2.2119	2.6774	82.6%	1.3%	82.6%	82.6%
00777310530	PROZAC 20MGCAPSULE	1		1	2.2393	2.6407	84.8%			84.8%
00777310533	PROZAC 20MGCAPSULE	4	3	1	1.9974	2.7314	73.3%	17.6%	70.4%	81.9%
00777310730	PROZAC 40MGCAPSULE	87	1	86	4.4354	5.3819	82.4%	2.0%	82.1%	82.4%
00186091542	PULMICORT 200MCGAERO POWDR	82	1	81	99.2504	119.9707	82.7%	0.8%	83.3%	82.7%
50242010040	PULMOZYME 1MG/MLSOLUTION	5		5	13.2053	15.9162	83.0%	0.3%		83.0%
00085124101	REBETRON 1200 1200-3/0.5KIT	5		5	627.3580	755.7000	83.0%			83.0%
00052010530	REMERON 15MGTABLET	115	1	114	2.0280	2.4513	82.7%	0.9%	82.3%	82.7%

Exhibit 4

Acquisition Cost Summary by Drug Top 200 Single Source Drug Products Kentucky Medicaid (Limited to Observations from External Invoices)

NDC Number	Description	No. of Obs.	No. of Obs. (Inst.)	No. of Obs. (Retail)	Average Actual Acquisition Cost	AWP	Average Acquisition Cost as % of AWP	Standard Deviation	Average Acquisition Cost (Inst.)	Average Acquisition Cost (Retail)
A	B	C	D	E	F	G	H	I	J	K
00052010730	REMERON 30MGTABLET	153		153	2.1008	2.5343	82.9%	0.8%		82.9%
00186107006	RHINOCORT AQUA 32MCGSPRAY/NON	144	1	143	7.9659	10.0000	79.7%	0.8%	82.2%	79.6%
50458030104	RISPERDAL 0.25MGTABLET	12	3	9	2.1536	2.5852	83.3%	0.4%	83.3%	83.3%
50458030206	RISPERDAL 0.5MGTABLET	46	1	45	2.0986	2.5469	82.4%	0.8%	81.7%	82.4%
50458030250	RISPERDAL 0.5MGTABLET	1		1	2.1924	2.6574	82.5%			82.5%
50458030006	RISPERDAL 1MGTABLET	99		99	2.1105	2.5522	82.7%	0.8%		82.7%
50458030001	RISPERDAL 1MGTABLET	2	2		2.1487	2.5950	82.8%	0.7%	82.8%	
50458032006	RISPERDAL 2MGTABLET	41		41	3.5303	4.2620	82.8%	1.9%		82.8%
50458032001	RISPERDAL 2MGTABLET	1	1		3.4697	4.2164	82.3%		82.3%	
50458033006	RISPERDAL 3MGTABLET	42	2	40	4.1611	5.0377	82.6%	0.8%	83.3%	82.6%
50458033001	RISPERDAL 3MGTABLET	1	1		4.3508	5.2236	83.3%		83.3%	
50458035006	RISPERDAL 4MGTABLET	15	1	14	5.4506	6.6263	82.2%	0.9%	83.3%	82.2%
00004196401	ROCEPHIN 1GVIAL	8	4	4	38.1998	45.7218	83.5%	1.3%	84.3%	82.8%
00173046400	SEREVENT 21MCGAER W/ADAP	278	5	273	4.2968	5.1830	82.9%	1.0%	80.5%	82.9%
00310027110	SEROQUEL 100MGTABLET	42	1	41	2.0403	2.5016	81.5%	2.2%	78.9%	81.6%
00310027210	SEROQUEL 200MGTABLET	25		25	3.8704	4.7090	82.2%	0.8%		82.2%
00310027510	SEROQUEL 25MGTABLET	62	6	56	1.1255	1.3698	82.2%	1.6%	78.3%	82.6%
00087003231	SERZONE 100MGTABLET	82		82	1.0163	1.2402	81.9%	1.2%		81.9%
00087003931	SERZONE 150MGTABLET	147	1	146	1.0210	1.2402	82.3%	1.1%	85.3%	82.3%
00006011731	SINGULAIR 10MGTABLET	220	3	217	2.0364	2.5623	79.5%	1.4%	81.2%	79.4%
00006011754	SINGULAIR 10MGTABLET	91		91	2.0608	2.5784	79.9%	0.4%		79.9%
00006027531	SINGULAIR 5MGTAB CHEW	123		123	2.0264	2.5653	79.0%	1.6%		79.0%
00086006210	SKELAXIN 400MGTABLET	124		124	0.5130	0.6848	74.9%	7.3%		74.9%
00015117760	TEQUIN 400MGTABLET	39		39	5.7731	6.9971	82.5%	2.2%		82.5%
63430006501	TOBI 300MG/5MLAMPUL-NEB.	1		1	7.3710	8.9571	82.3%			82.3%
00045064165	TOPAMAX 100MGTABLET	57	1	56	2.4467	2.9658	82.5%	1.0%	79.1%	82.6%
00045063965	TOPAMAX 25MGTABLET	74	1	73	1.0469	1.2655	82.7%	0.8%	83.3%	82.7%
00186109205	TOPROL XL 100MG TAB SR 24H	188		188	0.7295	0.8806	82.8%	0.7%		82.8%
00186109005	TOPROL XL 50MG TAB SR 24H	262		262	0.4861	0.5862	82.9%	0.6%		82.9%
00045065960	ULTRAM 50MGTABLET	249	3	246	0.6467	0.77896	83.0%	0.4%	82.5%	83.0%
00085073604	VANCERIL 42MCGAER W/ADAP	107		107	2.1012	2.5677	81.8%	2.8%		81.8%
00006007468	VIOXX 12.5MGTABLET	119		119	2.0071	2.5250	79.5%	0.9%		79.5%
00006011068	VIOXX 25MGTABLET	348		348	2.0139	2.5250	79.8%	1.1%		79.8%
00006011468	VIOXX 50MGTABLET	26		26	2.9335	3.6876	79.6%	1.2%		79.6%
00173094755	WELLBUTRIN SR 100MGTABLET SA	86		86	1.1825	1.4302	82.7%	0.8%		82.7%

Acquisition Cost Summary by Drug
Top 200 Single Source Drug Products
Kentucky Medicaid
(Limited to Observations from External Invoices)

NDC Number	Description	No. of Obs.	No. of Obs. (Inst.)	No. of Obs. (Retail)	Average Actual Acquisition Cost	AWP	Average Acquisition Cost as % of AWP	Standard Deviation	Average Acquisition Cost (Inst.)	Average Acquisition Cost (Retail)
A	B	C	D	E	F	G	H	I	J	K
00173013555	WELLBUTRIN SR 150MGTABLET SA	314	5	309	1.2720	1.5352	82.9%	1.0%	79.6%	82.9%
00013830304	XALATAN 0.005%DROPS	252	5	247	15.1830	19.0900	79.5%	1.0%	77.2%	79.6%
63402051224	XOPENEX 0.63MG/3MLSOLUTION	40	2	38	0.5338	0.6700	79.7%	1.0%	79.8%	79.7%
59075059415	ZANAFLEX 4MGTABLET	72		72	0.8494	1.0489	81.0%	2.1%		81.0%
00173038354	ZANTAC 15MG/MLSYPUR	37	2	35	0.3442	0.4184	82.3%	1.0%	80.0%	82.4%
00069311019	ZITHROMAX 100MG/5MLSUSP RECON	128		128	1.5053	1.9063	79.0%	1.6%		79.0%
00069312019	ZITHROMAX 200MG/5MLSUSP RECON	172		172	1.5126	1.9063	79.3%	1.4%		79.3%
00069306075	ZITHROMAX 250MGTABLET	367	1	366	5.3676	6.7569	79.4%	1.0%	79.3%	79.4%
00069306030	ZITHROMAX 250MGTABLET	58		58	5.2918	6.7553	78.3%	1.7%		78.3%
00006073561	ZOCOR 10MGTABLET	132		132	1.8060	2.2796	79.2%	1.0%		79.2%
00006074061	ZOCOR 20MGTABLET	276		276	3.1627	3.9764	79.5%	0.8%		79.5%
00006074961	ZOCOR 40MGTABLET	215	4	211	3.1657	3.9764	79.6%	0.7%	80.3%	79.6%
00049491066	ZOLOFT 100MGTABLET	190	3	187	1.9115	2.4094	79.3%	1.2%	77.6%	79.4%
00049496050	ZOLOFT 25MGTABLET	57	2	55	1.7900	2.2677	78.9%	1.5%	77.5%	79.0%
00049490066	ZOLOFT 50MGTABLET	200	3	197	1.8561	2.3418	79.3%	1.2%	79.4%	79.3%
00049490041	ZOLOFT 50MGTABLET	10	2	8	1.8836	2.3418	80.4%	0.9%	80.6%	80.4%
00049490073	ZOLOFT 50MGTABLET	10	1	9	1.8648	2.3416	79.6%	0.5%	79.0%	79.7%
00002411760	ZYPREXA 10MGTABLET	111	1	110	7.1492	8.6440	82.7%	0.8%	83.3%	82.7%
00002411733	ZYPREXA 10MGTABLET	3	3		7.2033	8.6440	83.3%		83.3%	
00002441530	ZYPREXA 15MGTABLET	25	1	24	10.7027	12.9280	82.8%	1.0%	84.7%	82.7%
00002411260	ZYPREXA 2.5MGTABLET	51	8	43	3.9856	4.8140	82.8%	1.2%	84.0%	82.6%
00002411560	ZYPREXA 5MGTABLET	82	2	80	4.7049	5.6858	82.7%	0.8%	83.3%	82.7%
00002411533	ZYPREXA 5MGTABLET	5	5		4.7411	5.6858	83.4%	1.4%	83.4%	
00002411660	ZYPREXA 7.5MGTABLET	29	1	28	4.6841	5.6858	82.4%	0.8%	83.3%	82.3%
00069551066	ZYRTEC 10MGTABLET	327	6	321	1.5258	1.9176	79.6%	0.8%	79.7%	79.6%

Explanation of Columns

A: National Drug Code Number

B: Product Description

C: Number of invoice line items matched.

D: Number of invoice line items matched for institutional pharmacies.

E: Number of invoice line items matched for retail pharmacies.

F: Average acquisition cost per unit observed in the invoices (all pharmacies).

G: Average of May 2000 and November 2000 AWP per unit weighted by quantity purchased (all pharmacies).

H: Average acquisition cost as % of AWP (all pharmacies).

I: Standard deviation of acquisition cost as a percent of AWP for each invoice line item.

J: Average acquisition cost as % of AWP for institutional pharmacies.

K: Average acquisition cost as % of AWP for retail pharmacies.

Acquisition Cost Summary by Drug
Top 200 Multi-Source Drug Products without an FUL Price
Kentucky Medicaid
(Limited to Observations from External Invoices)

NDC Number	Description	No. of Obs.	No. of Obs. (Inst.)	No. of Obs. (Retail)	Average Actual Acquisition Cost	AWP	Average Acquisition Cost as % of AWP	Standard Deviation	Average Acquisition Cost (Inst.)	Average Acquisition Cost (Retail)
A	B	C	D	E	F	G	H	I	J	K
25074013106	ACTICIN 5%CREAM	30	0	30	0.2551	0.4287	59.5%	9.7%		59.5%
00026884151	ADALAT CC 30MGTABLET SA	74	1	73	0.9380	1.2079	77.6%	1.8%	81.3%	77.6%
00026885151	ADALAT CC 60MGTABLET SA	103	0	103	1.6900	2.2090	76.5%	3.5%		76.5%
59930151504	ALBUTEROL SULFATE 5MG/ML SOLUTION	101	1	100	0.1437	0.7496	19.2%	1.1%	19.0%	19.2%
00008257602	ALESSE-28 0.1-0.02TABLET	111	0	111	0.8538	1.0794	79.1%	1.0%		79.1%
00781120360	AMIODARONE HCL 200MGTABLET	10	0	10	0.4785	3.2988	14.5%	1.0%		14.5%
00378262510	AMITRIPTYLINE HCL 25MGTABLET	7	0	7	0.0143	0.3380	4.2%	0.0%		4.2%
59702001516	ATUSS DM 15-5-2MG/5SYRUP	11	0	11	0.0621	0.0739	84.0%	3.3%		84.0%
00054408425	AZATHIOPRINE 50MGTABLET	35	0	35	0.4077	1.3108	31.1%	2.2%		31.1%
00173038879	BECONASE AQ 42MCGSPRAY	71	3	68	1.4965	1.8050	82.9%	1.2%	81.9%	83.0%
50419010510	BETAPACE 80MGTABLET	48	1	47	2.0689	2.6130	79.2%	0.7%	80.4%	79.2%
00781181701	BROMOCRIPTINE MESYLATE 2.5MGTABLET	2	0	2	0.6609	1.8417	35.9%	0.0%		35.9%
00087081941	BUSPAR 10MGTABLET	112	2	110	1.1412	1.3939	81.9%	1.7%	85.9%	81.8%
00087081943	BUSPAR 10MGTABLET	2	2	0	1.2637	1.5227	83.0%	0.0%	83.0%	
00087081944	BUSPAR 10MGTABLET	7	1	6	1.1424	1.3797	82.8%	0.7%	83.0%	82.8%
00087082232	BUSPAR 15MGTABLET	229	1	228	1.7236	2.0854	82.6%	1.0%	85.3%	82.6%
00087082233	BUSPAR 15MGTABLET	24	2	22	1.7150	2.0693	82.9%	0.4%	83.0%	82.9%
00087081844	BUSPAR 5MGTABLET	8	2	6	0.6548	0.7863	83.3%	1.0%	83.7%	83.1%
00087081841	BUSPAR 5MGTABLET	62	2	60	0.6544	0.7999	81.8%	1.6%	82.6%	81.8%
00378009401	CARBIDOPA/LEVODOPA 50-200MGTABLET SA	24	1	23	1.0615	1.7070	62.2%	4.2%	66.7%	62.0%
00088179742	CARDIZEM CD 240MGCAP SR 24H	48	0	48	1.8097	2.1913	82.6%	0.7%		82.6%
00088179842	CARDIZEM CD 300MGCAP SR 24H	27	0	27	2.3439	2.8400	82.5%	1.1%		82.5%
00049276066	CARDURA 2MGTABLET	93	0	93	0.8093	1.0271	78.8%	1.5%		78.8%
00049277066	CARDURA 4MGTABLET	148	1	147	0.8531	1.0781	79.1%	1.3%	81.3%	79.1%
00049278066	CARDURA 8MGTABLET	81	0	81	0.8914	1.1321	78.7%	1.4%		78.7%
62037059790	CARTIA XT 120MGCAP SR 24H	66	1	65	0.5701	1.1548	49.4%	11.8%	67.1%	49.1%
62037059890	CARTIA XT 180MGCAP SR 24H	102	1	101	0.7087	1.3929	50.9%	10.1%	67.1%	50.7%
62037059990	CARTIA XT 240MGCAP SR 24H	106	1	105	1.0013	1.9749	50.7%	10.2%	67.2%	50.5%
62037060090	CARTIA XT 300MGCAP SR 24H	57	0	57	1.1815	2.5588	46.2%	11.5%		46.2%
51479003560	CECLOR CD 500MG TAB SR 12H	36	0	36	3.3075	4.0154	82.4%	0.7%		82.4%
50111052901	CHOLINE MAG TRISALICYLATE 750MGTABLET	7	0	7	0.0951	0.7300	13.0%	4.0%		13.0%
00093083301	CLONAZEPAM 1MGTABLET	30	0	30	0.0425	0.8550	5.0%	1.1%		5.0%
00228300411	CLONAZEPAM 1MGTABLET	84	0	84	0.0400	0.9003	4.4%	0.0%		4.4%
00093083401	CLONAZEPAM 2MGTABLET	20	0	20	0.0465	1.1840	3.9%	0.0%		3.9%
00378015210	CLONIDINE HCL 0.1MGTABLET	14	0	14	0.0186	0.2084	8.9%	1.3%		8.9%

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NDC Number	Description	No. of Obs.	No. of Obs. (Inst.)	No. of Obs. (Retail)	Average Actual Acquisition Cost	AWP	Average Acquisition Cost as % of AWP	Standard Deviation	Average Acquisition Cost (Inst.)	Average Acquisition Cost (Retail)
A	B	C	D	E	F	G	H	I	J	K
51672127502	CLOTTRIMAZOLE 1%CREAM	23	0	23	0.1010	0.7467	13.5%	0.5%		13.5%
59930157002	CLOTTRIMAZOLE 1%CREAM	35	0	35	0.0621	0.4467	13.9%	1.3%		13.9%
00172436060	CLOZAPINE 100MGTABLET	2	0	2	1.5442	3.1696	48.7%	2.2%		48.7%
00078012705	CLOZARIL 100MGTABLET	4	0	4	2.9253	3.5226	83.0%	0.8%		83.0%
00056016970	COUMADIN 1MGTABLET	61	0	61	0.5073	0.6349	79.9%	5.9%		79.9%
00056017670	COUMADIN 2.5MGTABLET	58	0	58	0.5398	0.6838	78.9%	6.2%		78.9%
00056017070	COUMADIN 2MGTABLET	104	0	104	0.5303	0.6626	80.0%	5.7%		80.0%
00056017270	COUMADIN 5MGTABLET	154	0	154	0.5550	0.6928	80.1%	5.7%		80.1%
49502068902	CROMOLYN SODIUM 20MG/2MLAMPUL-NEB.	27	1	26	0.1119	0.3500	32.0%	3.2%	32.1%	32.0%
00025138131	DAYPRO 600MGTABLET	111	2	109	1.2816	1.5494	82.7%	0.8%	83.5%	82.7%
00075245201	DDAVP 0.1MG/MLSPRAY/PUMP	33	0	33	24.0958	30.3900	79.3%	0.9%		79.3%
24208034205	DESMOPRESSIN ACETATE 0.1MG/MLSPRAY/PUM	25	0	25	13.1505	27.0480	48.6%	10.7%		48.6%
00071036232	DILANTIN 100MGCAPSULE	42	1	41	0.2200	0.2698	81.5%	1.8%	84.7%	81.5%
00071036240	DILANTIN 100MGCAPSULE	7	6	1	0.2326	0.2977	78.1%	0.9%	78.4%	76.3%
00071036224	DILANTIN 100MGCAPSULE	197	1	196	0.2242	0.2698	83.1%	0.7%	85.7%	83.1%
00071221420	DILANTIN-125 125MG/5MLORAL SUSP	20	5	15	0.1098	0.1477	74.3%	18.6%	58.5%	79.6%
00228257709	DILTIAZEM HCL 180MGCAP SR.24H	8	0	8	0.8118	1.3929	58.3%	9.3%		58.3%
00093511898	DILTIAZEM HCL 240MGCAP SR.24H	10	0	10	1.1396	1.9721	57.8%	2.8%		57.8%
00228257809	DILTIAZEM HCL 240MGCAP SR.24H	12	0	12	1.1749	1.9749	59.5%	10.1%		59.5%
00378534001	DILTIAZEM HCL 240MGCAPSULE SA	59	0	59	0.3875	1.1460	33.8%	0.8%		33.8%
55513014410	EPOGEN 10MU/MLVIAL	3	0	3	103.3463	124.6800	82.9%	0.3%		82.9%
55953034480	GLYBURIDE 5MGTABLET	1	0	1	0.0600	0.6606	9.1%	0.0%		9.1%
38245036410	GLYBURIDE 5MGTABLET	80	0	80	0.0890	0.7770	11.5%	4.6%		11.5%
59762372707	GLYBURIDE 5MGTABLET	22	0	22	0.0562	0.5901	9.4%	2.3%		9.4%
38245036420	GLYBURIDE 5MGTABLET	14	0	14	0.0997	0.6606	15.1%	0.5%		15.1%
59762378301	GLYBURIDE MICRONIZED 6MGTABLET	45	0	45	0.2499	1.0172	24.6%	0.3%		24.6%
58177088007	HISTINEX DM 10-12.5-2SYRUP	88	0	88	0.0082	0.0539	15.3%	1.3%		15.3%
00002877059	HUMULIN 70/30 70-30U/MLDISP SYRIN	24	0	24	3.6095	4.5527	79.3%	1.6%		79.3%
00002871501	HUMULIN 70/30 70-30U/MLVIAL	102	2	100	1.9979	2.4100	82.9%	1.3%	85.2%	82.9%
00002831501	HUMULIN N 100U/MLVIAL	84	1	83	1.9947	2.4100	82.8%	1.4%	86.0%	82.7%
00002821501	HUMULIN R 100U/MLVIAL	60	0	60	1.9794	2.4100	82.1%	1.4%		82.1%
00172208380	HYDROCHLOROTHIAZIDE 25MGTABLET	8	0	8	0.0124	0.0723	17.2%	8.8%		17.2%
52544034905	HYDROCODONE W/ACETAMINOPHEN 5-500MGTA	106	3	103	0.0174	0.1969	8.9%	0.6%	8.4%	8.9%
00472127016	IBUPROFEN 100MG/5MLORAL SUSP	34	2	32	0.0328	0.0506	64.9%	4.0%	61.3%	65.1%
59762737902	IBUPROFEN 600MGTABLET	34	0	34	0.0232	0.2403	9.7%	0.4%		9.7%

Acquisition Cost Summary by Drug
Top 200 Multi-Source Drug Products without an FUL Price
Kentucky Medicaid
(Limited to Observations from External Invoices)

NDC Number	Description	No. of Obs.	No. of Obs. (Inst.)	No. of Obs. (Retail)	Average Actual Acquisition Cost	AWP	Average Acquisition Cost as % of AWP	Standard Deviation	Average Acquisition Cost (Inst.)	Average Acquisition Cost (Retail)
A	B	C	D	E	F	G	H	I	J	K
49884046805	IBUPROFEN 600MGTABLET	13	0	13	0.0262	0.2403	10.9%	1.1%		10.9%
59762738002	IBUPROFEN 800MGTABLET	37	0	37	0.0323	0.3048	10.6%	0.0%		10.6%
49884046905	IBUPROFEN 800MGTABLET	6	0	6	0.0392	0.3048	12.9%	1.3%		12.9%
00085115303	IMDUR 120MG TAB SR 24H	33	0	33	1.7386	2.1187	82.1%	1.1%		82.1%
00781176601	IMIPRAMINE HCL 50MGTABLET	26	0	26	0.0695	0.6900	10.1%	1.4%		10.1%
49502068503	IPRATROPIUM BROMIDE 0.2MG/MLSOLUTION	28	1	27	0.1571	0.7056	22.3%	3.9%	23.2%	22.2%
00054840211	IPRATROPIUM BROMIDE 0.2MG/MLSOLUTION	49	3	46	0.1814	0.7050	25.7%	2.1%	24.5%	25.8%
49502068560	IPRATROPIUM BROMIDE 0.2MG/MLSOLUTION	12	1	11	0.1639	0.7040	23.3%	5.2%	35.0%	22.2%
00228271311	ISOSORBIDE MONONITRATE 30MG TAB SR 24H	37	1	36	0.2274	1.2913	17.6%	3.3%	7.9%	17.9%
59930150201	ISOSORBIDE MONONITRATE 30MG TAB SR 24H	79	0	79	0.2670	1.1156	23.9%	1.9%		23.9%
62175011937	ISOSORBIDE MONONITRATE 60MG TAB SR 24H	1	0	1	0.1695	1.2646	13.4%	0.0%		13.4%
00228271111	ISOSORBIDE MONONITRATE 60MG TAB SR 24H	38	0	38	0.0835	1.3590	6.1%	2.4%		6.1%
59930154901	ISOSORBIDE MONONITRATE 60MG TAB SR 24H	144	0	144	0.1223	1.1740	10.4%	0.5%		10.4%
00173024255	LANOXIN 125MCGTABLET	47	0	47	0.1704	0.2051	83.1%	0.0%		83.1%
00173024275	LANOXIN 125MCGTABLET	57	0	57	0.1305	0.1580	82.5%	0.9%		82.5%
00173024256	LANOXIN 125MCGTABLET	4	4	0	0.1959	0.2864	68.4%	34.3%	68.4%	
00173024975	LANOXIN 250MCGTABLET	37	0	37	0.1252	0.1580	79.2%	2.1%		79.2%
00472057216	LINDANE 1%SHAMPOO	20	0	20	0.0482	0.2140	22.5%	1.0%		22.5%
00054252731	LITHIUM CARBONATE 300MGCAPSULE	13	0	13	0.1203	0.1618	74.3%	7.6%		74.3%
00008251402	LOVOVRAL-28 0.3-0.03MGTABLET	65	1	64	0.8978	1.1414	78.7%	1.4%	81.3%	78.6%
00085092402	LOTRISONE CREAM	118	4	114	0.9696	1.1751	82.5%	1.5%	78.4%	82.7%
00032421001	LUVOX 100MGTABLET	38	0	38	2.2338	2.8309	78.9%	0.7%		78.9%
00032420501	LUVOX 50MGTABLET	31	0	31	2.1781	2.7584	79.0%	0.7%		79.0%
00005356331	METHOCARBAMOL 750MGTABLET	10	0	10	0.1471	0.4706	31.3%	8.9%		31.3%
00364034701	METHOCARBAMOL 750MGTABLET	39	0	39	0.0856	0.4941	17.3%	0.8%		17.3%
00143129205	METHOCARBAMOL 750MGTABLET	6	0	6	0.1195	0.4676	25.6%	0.6%	0.0%	25.6%
00364034705	METHOCARBAMOL 750MGTABLET	3	0	3	0.0879	0.4706	18.7%	0.0%		18.7%
59772884301	METHYLPHENIDATE HCL 20MGTABLET SA	12	0	12	0.5582	1.0566	52.8%	0.0%		52.8%
00034051710	MS CONTIN 100MGTABLET SA	2	0	2	4.3322	5.4699	79.2%	0.0%		79.2%
00034051610	MS CONTIN 60MGTABLET SA	3	0	3	2.9738	3.6944	80.5%	0.5%		80.5%
24208063562	NEOMYCIN/POLYMYXIN/HC DROPS SUSP	125	0	125	0.6363	2.8000	22.7%	3.9%		22.7%
24208063110	NEOMYCIN/POLYMYXIN/HC SOLUTION	51	1	50	0.6254	2.8000	22.3%	3.1%	26.5%	22.3%
00078024815	NEORAL 100MGCAPSULE	40	0	40	5.0349	6.1070	82.4%	0.9%		82.4%
00078024615	NEORAL 25MGCAPSULE	35	0	35	1.2586	1.5283	82.4%	0.9%		82.4%
00378348201	NIFEDIPINE ER 60MGTABLET SA	28	0	28	1.4285	2.2206	64.3%	6.3%		64.3%

Acquisition Cost Summary by Drug
Top 200 Multi-Source Drug Products without an FUL Price
Kentucky Medicaid
(Limited to Observations from External Invoices)

NDC Number	Description	No. of Obs.	No. of Obs. (Inst.)	No. of Obs. (Retail)	Average Actual Acquisition Cost	AWP	Average Acquisition Cost as % of AWP	Standard Deviation	Average Acquisition Cost (Inst.)	Average Acquisition Cost (Retail)
A	B	C	D	E	F	G	H	I	J	K
00378349501	NIFEDIPINE ER 90MGTABLET SA	22	0	22	1.6628	2.5616	64.9%	5.4%		64.9%
62794020293	NITREK 0.2MG/HRPATCH TD24	1	0	1	1.0913	1.7083	63.9%	0.0%		63.9%
62794020493	NITREK 0.4MG/HRPATCH TD24	5	4	1	0.5922	1.9483	30.4%	18.2%	22.2%	63.0%
00085331030	NITRO-DUR 0.2MG/HRPATCH TD24	39	0	39	1.2407	1.7104	72.5%	15.1%		72.5%
00085332030	NITRO-DUR 0.4MG/HRPATCH TD24	27	0	27	1.3047	1.9153	68.1%	15.8%		68.1%
00378910493	NITROGLYCERIN 0.2MG/HRPATCH TD24	72	2	70	0.4967	1.6167	30.7%	4.5%	37.5%	30.5%
00378911293	NITROGLYCERIN 0.4MG/HRPATCH TD24	87	2	85	0.5646	1.8467	30.6%	5.2%	39.6%	30.4%
00169183711	NOVOLIN 70/30 70-30U/MLVIAL	50	4	46	1.8188	2.4100	75.5%	8.8%	46.7%	78.0%
00169183411	NOVOLIN N 100U/MLVIAL	42	2	40	1.8387	2.4100	76.3%	6.6%	47.8%	77.7%
00169183311	NOVOLIN R 100U/MLVIAL	31	5	26	1.7612	2.4100	73.1%	11.5%	47.3%	78.0%
00364283001	ORPHENADRINE CITRATE 100MGTABLET SA	26	0	26	0.3584	2.1746	16.5%	0.9%		16.5%
00378335801	ORPHENADRINE CITRATE 100MGTABLET SA	41	0	41	0.5322	2.1740	24.5%	6.9%		24.5%
00245014760	PACERONE 200MGTABLET	77	1	76	0.6005	3.3041	18.2%	9.2%	17.6%	18.2%
00378035701	PENTOXIFYLLINE 400MGTABLET SA	113	0	113	0.1055	0.6381	16.5%	0.3%		16.5%
00228261196	PENTOXIFYLLINE 400MGTABLET SA	1	0	1	0.0840	0.5642	14.9%	0.0%		14.9%
38245067210	PENTOXIFYLLINE 400MGTABLET SA	6	1	5	0.0856	0.5940	14.4%	6.8%	13.4%	14.6%
38245067250	PENTOXIFYLLINE 400MGTABLET SA	1	0	1	0.1200	0.5940	20.2%	0.0%		20.2%
59911329002	PENTOXIFYLLINE 400MGTABLET SA	35	0	35	0.0854	0.5546	15.4%	1.9%		15.4%
00006096358	PEPCID 20MGTABLET	152	0	152	1.4697	1.8479	79.5%	0.8%		79.5%
00006096331	PEPCID 20MGTABLET	46	3	43	1.3020	1.8433	70.6%	23.3%	81.2%	69.9%
00006096382	PEPCID 20MGTABLET	1	0	1	1.4562	1.8433	79.0%	0.0%		79.0%
00006096328	PEPCID 20MGTABLET	7	3	4	1.4860	1.8432	80.6%	1.6%	80.6%	80.6%
00006096431	PEPCID 40MGTABLET	31	0	31	2.8561	3.5907	79.5%	0.9%		79.5%
00006096458	PEPCID 40MGTABLET	26	0	26	2.8138	3.5693	78.8%	1.0%		78.8%
00472006708	PHENYTOIN 125MG/5MLORAL SUSP	12	0	12	0.0914	0.1249	73.2%	10.5%		73.2%
00378156001	PHENYTOIN SODIUM, EXTENDED 100MGCAPSUL	84	2	82	0.1552	0.2450	63.4%	4.4%	68.0%	63.3%
00378156010	PHENYTOIN SODIUM, EXTENDED 100MGCAPSUL	3	0	3	0.1618	0.2454	65.9%	4.0%		65.9%
00603152958	POLY-DM 10-12.5-2SYRUP	1	0	1	0.0094	0.0518	18.1%	0.0%		18.1%
58177000104	POTASSIUM CHLORIDE 10MEQCAPSULE SA	89	1	88	0.0840	0.2286	36.7%	5.1%	39.0%	36.7%
58177000108	POTASSIUM CHLORIDE 10MEQCAPSULE SA	43	1	42	0.0772	0.2147	35.8%	7.8%	43.2%	35.6%
58177000109	POTASSIUM CHLORIDE 10MEQCAPSULE SA	9	1	8	0.0824	0.2054	40.1%	2.7%	38.6%	40.3%
58177000111	POTASSIUM CHLORIDE 10MEQCAPSULE SA	5	5	0	0.0999	0.2533	39.5%	1.2%	39.5%	
59772691002	POTASSIUM CHLORIDE 10MEQTABLET SA	16	1	15	0.0295	0.2249	13.1%	1.3%	15.3%	13.0%
00472100016	POTASSIUM CHLORIDE 20MEQ/15MLLIQUID	41	2	39	0.0028	0.0094	29.4%	6.1%	24.5%	29.7%
00006010658	PRINIVIL 10MGTABLET	122	1	121	0.7707	0.9324	82.7%	0.7%	83.3%	82.7%

Acquisition Cost Summary by Drug
Top 200 Multi-Source Drug Products without an FUL Price
Kentucky Medicaid
(Limited to Observations from External Invoices)

NDC Number	Description	No. of Obs.	No. of Obs. (Inst.)	No. of Obs. (Retail)	Average Actual Acquisition Cost	AWP	Average Acquisition Cost as % of AWP	Standard Deviation	Average Acquisition Cost (Inst.)	Average Acquisition Cost (Retail)
A	B	C	D	E	F	G	H	I	J	K
00006020758	PRINIVIL 20MGTABLET	108	1	107	0.8274	1.0012	82.6%	0.8%	83.3%	82.6%
00006001958	PRINIVIL 5MGTABLET	81	0	81	0.7470	0.9055	82.5%	0.8%		82.5%
00069265066	PROCARDIA XL 30MGTABLET SA	63	0	63	1.1225	1.4266	78.7%	1.3%		78.7%
00069265072	PROCARDIA XL 30MGTABLET SA	3	0	3	1.1136	1.3980	79.7%	0.4%		79.7%
00069266072	PROCARDIA XL 60MGTABLET SA	3	0	3	1.6671	2.4192	68.9%	19.5%		68.9%
00069266066	PROCARDIA XL 60MGTABLET SA	58	1	57	1.9407	2.4686	78.6%	1.4%	79.8%	78.6%
00069267066	PROCARDIA XL 90MGTABLET SA	33	0	33	2.2493	2.8482	79.0%	1.0%		79.0%
59676031001	PROCRT 10MU/MLVIAL	4	2	2	101.3546	124.6800	81.3%	2.5%	79.2%	83.4%
59676031201	PROCRT 10MU/MLVIAL	1	0	1	104.2117	124.6800	83.6%	0.0%		83.6%
59676032001	PROCRT 20MU/MLVIAL	2	0	2	207.1767	249.3600	83.1%	0.0%		83.1%
59676034001	PROCRT 40MU/MLVIAL	4	0	4	324.4219	498.7200	65.1%	37.7%		65.1%
00781183010	PROMETHAZINE HCL 25MGTABLET	4	0	4	0.0179	0.0288	62.0%	3.0%		62.0%
59911587201	PROMETHAZINE HCL 25MGTABLET	90	0	90	0.0165	0.0396	41.7%	2.5%		41.7%
00093089005	PROPOXYPHENE NAPSYLATE W/APAP 100-650M	3	0	3	0.1259	0.5346	23.6%	1.1%		23.6%
59911547101	PROPRANOLOL HCL 80MGCAPSULE SA	60	0	60	0.6567	1.1900	55.2%	10.5%		55.2%
58177002204	QUADRA-HIST D ADULTCAPSULE SA	7	0	7	0.1694	0.6746	25.1%	1.6%		25.1%
00781285560	RANITIDINE HCL 150MGCAPSULE	6	0	6	0.1649	1.5211	10.8%	8.5%		10.8%
60505002508	RANITIDINE HCL 150MGTABLET	3	0	3	0.0346	1.4800	2.3%	0.0%		2.3%
51079087920	RANITIDINE HCL 150MGTABLET	5	4	1	0.1746	1.5860	11.0%	4.0%	9.2%	18.1%
00378325205	RANITIDINE HCL 150MGTABLET	16	0	16	0.0303	1.6254	1.9%	0.0%		1.9%
60505002504	RANITIDINE HCL 150MGTABLET	3	0	3	0.0375	1.4800	2.5%	0.0%		2.5%
00781188310	RANITIDINE HCL 150MGTABLET	5	2	3	0.0293	1.4800	2.0%	0.3%	2.2%	1.9%
55953054440	RANITIDINE HCL 150MGTABLET	10	0	10	0.0423	1.4800	2.9%	0.0%		2.9%
00378325291	RANITIDINE HCL 150MGTABLET	26	0	26	0.0324	1.5883	2.0%	0.0%		2.0%
55953054470	RANITIDINE HCL 150MGTABLET	38	0	38	0.0418	1.4800	2.8%	0.0%		2.8%
55953054435	RANITIDINE HCL 150MGTABLET	151	0	151	0.0432	1.4800	2.9%	0.0%		2.9%
00781188360	RANITIDINE HCL 150MGTABLET	4	0	4	0.0391	1.4800	2.6%	0.3%		2.6%
55953054480	RANITIDINE HCL 150MGTABLET	3	0	3	0.0381	1.4800	2.6%	0.4%		2.6%
00781188305	RANITIDINE HCL 150MGTABLET	22	0	22	0.0324	1.4800	2.2%	0.3%		2.2%
00044502202	RYTHMOL 150MGTABLET	61	0	61	1.2221	1.4775	82.7%	0.8%		82.7%
00034121081	SENOKOT-S TABLET	2	2	0	0.1250	0.3638	34.4%	0.0%	34.4%	
00056052168	SINEMET CR 50-200MGTABLET SA	26	1	25	1.4829	1.9159	77.4%	2.4%	79.4%	77.3%
49502083003	SODIUM CHLORIDE 0.9%VIAL-NEB	2	1	1	0.0341	0.0645	52.4%	2.3%	50.7%	54.0%
00093221001	SUCRALFATE 1GTABLET	34	0	34	0.1017	0.7296	13.9%	3.2%		13.9%
00093221005	SUCRALFATE 1GTABLET	1	0	1	0.1495	0.7081	21.1%	0.0%		21.1%

Acquisition Cost Summary by Drug
Top 200 Multi-Source Drug Products without an FUL Price
Kentucky Medicaid
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NDC Number	Description	No. of Obs.	No. of Obs. (Inst.)	No. of Obs. (Retail)	Average Actual Acquisition Cost	AWP	Average Acquisition Cost as % of AWP	Standard Deviation	Average Acquisition Cost (Inst.)	Average Acquisition Cost (Retail)
A	B	C	D	E	F	G	H	I	J	K
00048107003	SYNTHROID 100MCGTABLET	160	1	159	0.2713	0.3276	82.8%	0.9%	77.9%	82.9%
00048113003	SYNTHROID 125MCGTABLET	165	0	165	0.3066	0.3854	79.6%	5.3%		79.6%
00048109003	SYNTHROID 150MCGTABLET	149	0	149	0.3140	0.3952	79.5%	5.9%		79.5%
00048104003	SYNTHROID 50MCGTABLET	204	1	203	0.2324	0.2898	80.2%	5.0%	71.2%	80.2%
00048105003	SYNTHROID 75MCGTABLET	160	0	160	0.2556	0.3202	79.8%	5.2%		79.8%
00555044609	TAMOXIFEN CITRATE 10MGTABLET	145	4	141	1.3592	1.8099	75.1%	2.8%	77.6%	75.0%
00083001976	TEGRETOL 100MG/5MLORAL SUSP	33	1	32	0.0572	0.0692	82.6%	0.9%	83.4%	82.6%
00781205201	TERAZOSIN HCL 2MGCAPSULE	76	0	76	0.2097	1.6038	13.1%	4.2%		13.1%
00781205301	TERAZOSIN HCL 5MGCAPSULE	106	0	106	0.2207	1.6038	13.8%	4.1%		13.8%
60505002704	TICLOPIDINE HCL 250MGTABLET	4	0	4	0.3271	1.8661	17.5%	1.3%		17.5%
00074653301	VANCOMYCIN HCL 1GVIAL	2	1	1	4.4285	76.4157	5.8%	0.9%	6.5%	5.1%
00006071368	VASOTEC 10MGTABLET	125	0	125	0.9117	1.1478	79.4%	0.7%		79.4%
00006001468	VASOTEC 2.5MGTABLET	54	0	54	0.6778	0.8594	78.9%	1.1%		78.9%
00006071468	VASOTEC 20MGTABLET	110	0	110	1.2947	1.6328	79.3%	0.8%		79.3%
00006071268	VASOTEC 5MGTABLET	122	0	122	0.8699	1.0949	79.4%	0.8%		79.4%
00555083302	WARFARIN SODIUM 5MGTABLET	68	0	68	0.2621	0.6368	41.2%	6.4%		41.2%
00173034442	ZANTAC 150MGTABLET	95	0	95	1.4761	1.7802	82.9%	0.8%		82.9%
00005381638	ZEBETA 5MGTABLET	101	3	98	0.9575	1.2030	79.6%	0.9%	81.6%	79.5%
00310013110	ZESTRIL 10MGTABLET	221	0	221	0.7708	0.9326	82.6%	1.0%		82.6%
00310013139	ZESTRIL 10MGTABLET	2	0	2	0.8054	0.9647	83.5%	1.4%		83.5%
00310013210	ZESTRIL 20MGTABLET	202	0	202	0.8253	0.9989	82.6%	1.0%		82.6%
00310013410	ZESTRIL 40MGTABLET	88	0	88	1.1931	1.4595	81.7%	2.1%		81.7%
00310013039	ZESTRIL 5MGTABLET	2	0	2	0.7796	0.9339	83.5%	1.4%		83.5%
00310013010	ZESTRIL 5MGTABLET	135	0	135	0.7405	0.9023	82.1%	1.9%		82.1%
00005323423	ZIAC 5-6.25MGTABLET	110	0	110	0.9497	1.1962	79.4%	0.8%		79.4%

Explanation of Columns

A: National Drug Code Number

B: Product Description

C: Number of invoice line items matched.

D: Number of invoice line items matched for institutional pharmacies.

E: Number of invoice line items matched for retail pharmacies.

F: Average acquisition cost per unit observed in the invoices (all pharmacies).

G: Average of May 2000 and November 2000 AWP per unit weighted by quantity purchased (all pharmacies).

H: Average acquisition cost as % of AWP (all pharmacies).

I: Standard deviation of acquisition cost as a percent of AWP for each invoice line item.

J: Average acquisition cost as % of AWP for institutional pharmacies.

K: Average acquisition cost as % of AWP for retail pharmacies.

Exhibit 6

Acquisition Cost Summary by Drug Top 200 Multi-Source Drug Products with an FUL Price Kentucky Medicaid (Limited to Observations from External Invoices)

NDC Number	Description	No. of Obs.	No. of Obs. (Inst.)	No. of Obs. (Retail)	Average Actual Acquisition Cost	AWP	Average Acquisition Cost as % of AWP	FUL	Average Acquisition Cost as % of FUL
A	B	C	D	E	F	G	H	I	J
00378120001	ACEBUTOLOL HCL 200MGCAPSULE	22	0	22	0.1332	1.0073	13.2%	0.8025	16.6%
51285030305	ACETAMINOPHEN W/CODEINE 30-300MGTABLET	2	0	2	0.0541	0.2034	26.6%	0.0875	61.8%
00093015010	ACETAMINOPHEN W/CODEINE 30-300MGTABLET	39	0	39	0.0436	0.2390	18.2%	0.0875	49.8%
51285060105	ACETAMINOPHEN W/CODEINE 30-300MGTABLET	1	0	1	0.0500	0.2034	24.6%	0.0875	57.1%
00228302096	ACETAMINOPHEN W/CODEINE 30-300MGTABLET	20	0	20	0.0489	0.2392	20.4%	0.0875	55.9%
00093015001	ACETAMINOPHEN W/CODEINE 30-300MGTABLET	4	0	4	0.0511	0.2450	20.9%	0.0875	58.4%
59930156001	ALBUTEROL 90MCGAEROSOL	238	0	238	0.1284	1.2594	10.2%	0.4394	29.2%
49502030317	ALBUTEROL 90MCGAEROSOL	2	0	2	0.1524	1.2764	11.9%	0.4394	34.7%
00172439018	ALBUTEROL 90MCGAEROSOL	97	0	97	0.1971	1.3787	14.2%	0.4394	44.9%
59772617502	ALBUTEROL 90MCGAEROSOL	162	0	162	0.1435	1.2603	11.4%	0.4394	32.7%
49502033317	ALBUTEROL 90MCGAEROSOL	8	0	8	0.2398	1.2764	18.8%	0.4394	54.6%
49502069703	ALBUTEROL SULFATE 0.83MG/MLSOLUTION	36	2	34	0.0702	0.4033	17.4%	0.1990	35.3%
59930150006	ALBUTEROL SULFATE 0.83MG/MLSOLUTION	13	1	12	0.0634	0.4033	15.7%	0.1990	31.8%
59930150008	ALBUTEROL SULFATE 0.83MG/MLSOLUTION	105	0	105	0.0621	0.4033	15.4%	0.1990	31.2%
49502069760	ALBUTEROL SULFATE 0.83MG/MLSOLUTION	3	0	3	0.0856	0.4033	21.2%	0.1990	43.0%
49502069733	ALBUTEROL SULFATE 0.83MG/MLSOLUTION	15	0	15	0.0743	0.4033	18.4%	0.1990	37.3%
00472083123	ALBUTEROL SULFATE 0.83MG/MLSOLUTION	2	0	2	0.0597	0.4120	14.5%	0.1990	30.0%
00093066116	ALBUTEROL SULFATE 2MG/5MLSYRUP	28	0	28	0.0044	0.0592	7.4%	0.0111	39.3%
59930151005	ALBUTEROL SULFATE 2MG/5MLSYRUP	20	0	20	0.0044	0.0516	8.5%	0.0111	39.5%
00781107710	ALPRAZOLAM 0.5MGTABLET	19	0	19	0.0104	0.6653	1.6%	0.0646	16.1%
00093415580	AMOXICILLIN 250MG/5MLSUSP RECON	10	1	9	0.0067	0.0474	14.1%	0.0185	36.2%
00093310905	AMOXICILLIN 500MGCAPSULE	35	0	35	0.0318	0.3690	8.6%	0.3119	10.2%
55370088508	AMOXICILLIN 500MGCAPSULE	1	0	1	0.0802	0.3937	20.4%	0.3119	25.7%
63304065505	AMOXICILLIN 500MGCAPSULE	6	0	6	0.0428	0.3937	10.9%	0.3119	13.7%
00029600922	AMOXIL 250MG/5MLSUSP RECON	46	0	46	0.0087	0.0407	21.3%	0.0185	46.9%
00029600732	AMOXIL 500MGCAPSULE	1	0	1	0.0972	0.3798	25.6%	0.3119	31.2%
00781107801	ATENOLOL 25MGTABLET	152	0	152	0.0168	0.7026	2.4%	0.0413	40.7%
00781107810	ATENOLOL 25MGTABLET	18	0	18	0.0209	0.6650	3.1%	0.0413	50.6%
00781150610	ATENOLOL 50MGTABLET	15	0	15	0.0132	0.6850	1.9%	0.0435	30.4%
00005321934	ATENOLOL 50MGTABLET	30	0	30	0.0135	0.6840	2.0%	0.0435	31.0%

Exhibit 6

Acquisition Cost Summary by Drug Top 200 Multi-Source Drug Products with an FUL Price Kentucky Medicaid (Limited to Observations from External Invoices)

NDC Number	Description	No. of Obs.	No. of Obs. (Inst.)	No. of Obs. (Retail)	Average Actual Acquisition Cost	AWP	Average Acquisition Cost as % of AWP	FUL	Average Acquisition Cost as % of FUL
A	B	C	D	E	F	G	H	I	J
00172409660	BACLOFEN 10MGTABLET	34	1	33	0.0269	0.3706	7.2%	0.0800	33.6%
00364231201	BACLOFEN 10MGTABLET	41	0	41	0.0304	0.3628	8.4%	0.0800	38.1%
00378037001	BUMETANIDE 1MGTABLET	21	0	21	0.0800	0.4240	18.9%	0.1725	46.4%
00025189131	CALAN SR 240MGTABLET SA	35	0	35	1.3332	1.6323	81.7%	0.3113	428.3%
00093077801	CARBAMAZEPINE 100MG TAB CHEW	65	0	65	0.1103	0.2090	52.8%	0.1467	75.2%
00093010901	CARBAMAZEPINE 200MGTABLET	7	0	7	0.0636	0.3017	21.1%	0.1275	49.9%
00093010910	CARBAMAZEPINE 200MGTABLET	1	0	1	0.0550	0.3017	18.2%	0.1275	43.1%
00228214396	CARBAMAZEPINE 200MGTABLET	1	0	1	0.0680	0.2212	30.7%	0.1275	53.3%
00093029301	CARBIDOPA/LEVODOPA 25-100MGTABLET	38	1	37	0.1004	0.6470	15.5%	0.2754	36.5%
00378760206	CEFACLOX 125MG/5ML SUSP RECON	11	0	11	0.0355	0.1873	19.0%	0.1419	25.1%
63304095602	CEFACLOX 250MG/5ML SUSP RECON	6	0	6	0.0709	0.3453	20.5%	0.2424	29.3%
00378761006	CEFACLOX 250MG/5ML SUSP RECON	21	0	21	0.0694	0.3453	20.1%	0.2424	28.6%
59772749204	CEFACLOX 250MG/5ML SUSP RECON	29	0	29	0.0739	0.3390	21.8%	0.2424	30.5%
63304065801	CEFACLOX 250MGCAPSULE	23	0	23	0.1800	1.9896	9.0%	1.1948	15.1%
59772749104	CEFACLOX 250MGCAPSULE	18	0	18	0.2410	1.9550	12.3%	1.1948	20.2%
59772749404	CEFACLOX 500MGCAPSULE	16	0	16	0.4937	3.8300	12.9%	2.3985	20.6%
63304065901	CEFACLOX 500MGCAPSULE	27	0	27	0.3504	3.8950	9.0%	2.3985	14.6%
00093417773	CEPHALEXIN 250MG/5ML SUSP RECON	40	0	40	0.0162	0.1266	12.8%	0.0789	20.5%
00093417774	CEPHALEXIN 250MG/5ML SUSP RECON	99	0	99	0.0146	0.1251	11.6%	0.0315	46.2%
00093314505	CEPHALEXIN 250MGCAPSULE	31	0	31	0.0411	0.5668	7.3%	0.1103	37.3%
00093314701	CEPHALEXIN 500MGCAPSULE	6	0	6	0.0821	1.2596	6.5%	0.2025	40.5%
00093314705	CEPHALEXIN 500MGCAPSULE	53	0	53	0.0704	1.1139	6.3%	0.2025	34.8%
00003087460	CEPHALEXIN 500MGCAPSULE	39	0	39	0.0827	0.8170	10.1%	0.2025	40.8%
00378037205	CIMETIDINE 400MGTABLET	31	0	31	0.0505	1.6120	3.1%	0.1770	28.5%
62269035329	CLONAZEPAM 0.5MGTABLET	2	0	2	0.0330	0.6572	5.0%	0.4146	8.0%
00228300311	CLONAZEPAM 0.5MGTABLET	67	0	67	0.0312	0.7890	4.0%	0.4146	7.5%
00093083201	CLONAZEPAM 0.5MGTABLET	33	2	31	0.0335	0.7490	4.5%	0.4146	8.1%
00228300350	CLONAZEPAM 0.5MGTABLET	8	0	8	0.0339	0.7106	4.8%	0.4146	8.2%
00093083205	CLONAZEPAM 0.5MGTABLET	17	0	17	0.0289	0.7490	3.9%	0.4146	7.0%
00378004001	CLORAZEPATE DIPOTASSIUM 7.5MGTABLET	55	0	55	0.3258	1.5971	20.4%	1.2894	25.3%

Acquisition Cost Summary by Drug
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A	B	C	D	E	F	G	H	I	J
00378004005	CLORAZEPATE DIPOTASSIUM 7.5MGTABLET	5	0	5	0.3545	1.5656	22.6%	1.2894	27.5%
00472135808	CONSTULOSE 10G/15MLSYRUP	3	2	1	0.0159	0.0729	21.9%	0.0228	69.9%
00364234801	CYCLOBENZAPRINE HCL 10MGTABLET	77	1	76	0.0255	0.8610	3.0%	0.0891	28.6%
00378075101	CYCLOBENZAPRINE HCL 10MGTABLET	1	0	1	0.0301	0.9566	3.1%	0.0891	33.8%
00364234802	CYCLOBENZAPRINE HCL 10MGTABLET	35	0	35	0.0208	0.7450	2.8%	0.0891	23.3%
00074568216	DEPAKENE 250MG/5MLSYRUP	4	3	1	0.2348	0.3613	65.0%	0.0594	395.3%
00781178901	DICLOFENAC SODIUM 75MGTABLET EC	44	0	44	0.0603	1.0646	5.7%	0.9219	6.5%
52544079401	DICYCLOMINE HCL 10MGCAPSULE	67	0	67	0.0421	0.2638	16.0%	0.1763	23.9%
60432003316	DIPHEN AF 12.5MG/5MLLIQUID	24	0	24	0.0042	0.0138	30.3%	0.0061	68.4%
00182049210	DIPHENHYDRAMINE HCL 25MGCAPSULE	1	0	1	0.0098	0.0168	58.3%	0.0132	74.2%
00185064810	DIPHENHYDRAMINE HCL 25MGCAPSULE	5	0	5	0.0132	0.0456	28.9%	0.0132	100.0%
00472136016	ENULOSE 10G/15MLSYRUP	12	2	10	0.0089	0.0700	12.7%	0.0228	38.9%
00555044521	ERYTHROMYCIN W/SULFISOXAZOLE SUSP RECO	13	0	13	0.0329	0.1253	26.3%	0.0715	46.0%
60432061360	FUROSEMIDE 10MG/MLSOLUTION	7	3	4	0.0491	0.1733	28.3%	0.1142	43.0%
00378020810	FUROSEMIDE 20MGTABLET	21	0	21	0.0105	0.1399	7.5%	0.0210	49.8%
00378020801	FUROSEMIDE 20MGTABLET	65	1	64	0.0124	0.1430	8.6%	0.0210	58.8%
00054829725	FUROSEMIDE 20MGTABLET	6	5	1	0.0195	0.1396	16.9%	0.0210	92.9%
00781196610	FUROSEMIDE 40MGTABLET	2	0	2	0.0155	0.1403	11.0%	0.0254	61.0%
00054829925	FUROSEMIDE 40MGTABLET	3	3	0	0.0201	0.1587	15.9%	0.0254	79.1%
00378021610	FUROSEMIDE 40MGTABLET	97	0	97	0.0112	0.1596	7.0%	0.0254	44.2%
00378021601	FUROSEMIDE 40MGTABLET	29	0	29	0.0160	0.1630	9.8%	0.0254	63.1%
00378023201	FUROSEMIDE 80MGTABLET	84	0	84	0.0250	0.4370	5.7%	0.0473	52.8%
00378023205	FUROSEMIDE 80MGTABLET	14	0	14	0.0275	0.4278	6.4%	0.0473	58.0%
00047008430	GEMFIBROZIL 600MGTABLET	24	0	24	0.0711	0.9870	7.2%	0.1800	39.5%
00093067005	GEMFIBROZIL 600MGTABLET	22	0	22	0.0626	1.0055	6.2%	0.1800	34.8%
00047008420	GEMFIBROZIL 600MGTABLET	81	0	81	0.0663	0.9926	6.7%	0.1800	36.8%
00093067006	GEMFIBROZIL 600MGTABLET	31	2	29	0.0764	1.1325	6.6%	0.1800	42.5%
00378116001	GUANFACINE HCL 1MGTABLET	2	0	2	0.1665	0.8720	19.1%	0.6293	26.5%
52544044401	GUANFACINE HCL 1MGTABLET	42	1	41	0.1159	0.8720	13.3%	0.6293	18.4%
52544038505	HYDROCODONE W/ACETAMINOPHEN 7.5-500MGT	100	0	100	0.0492	0.3456	14.2%	0.1837	26.8%

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A	B	C	D	E	F	G	H	I	J
00085061402	PROVENTIL 90MCGAEROSOL	45	1	44	1.6011	1.9266	83.1%	0.4394	364.4%
00603082358	Q-DRYL 12.5MG/5MLLIQUID	6	0	6	0.0048	0.0097	49.0%	0.0061	77.9%
00083000330	RITALIN 10MGTABLET	9	0	9	0.4819	0.5792	83.2%	0.4023	119.8%
00083003430	RITALIN 20MGTABLET	5	0	5	0.6906	0.8320	83.0%	0.5886	117.3%
00083000730	RITALIN 5MGTABLET	6	0	6	0.3408	0.4079	83.5%	0.2877	118.4%
00781159910	SPIRONOLACTONE 25MGTABLET	1	0	1	0.0913	0.3520	25.9%	0.3351	27.2%
00378214605	SPIRONOLACTONE 25MGTABLET	19	0	19	0.0885	0.4064	21.8%	0.3351	26.4%
00378214601	SPIRONOLACTONE 25MGTABLET	55	1	54	0.0898	0.4150	21.6%	0.3351	26.8%
24208067004	SULFACETAMIDE SODIUM 10%DROPS	90	0	90	0.0603	0.2807	21.5%	0.0969	62.2%
00093056216	SULFAMETHOXAZOLE/TRIMETHOPRIM 200-40MG/	34	0	34	0.0085	0.0306	27.7%	0.0459	18.4%
53489014605	SULFAMETHOXAZOLE/TRIMETHOPRIM 800-160MG	31	0	31	0.0456	0.8531	5.3%	0.0893	51.1%
00093008905	SULFAMETHOXAZOLE/TRIMETHOPRIM 800-160MG	4	0	4	0.0711	0.9032	7.9%	0.0893	79.6%
00472128516	SULFATRIM 200-40MG/SORAL SUSP	42	1	41	0.0085	0.0359	23.6%	0.0224	37.8%
00108502618	TAGAMET 400MGTABLET	17	0	17	1.3262	1.6776	79.1%	0.1770	749.3%
00083005230	TEGRETOL 100MG TAB CHEW	30	0	30	0.2096	0.2540	82.5%	0.1467	142.9%
00083002740	TEGRETOL 200MGTABLET	2	0	2	0.3936	0.4782	82.3%	0.1275	308.7%
00083002730	TEGRETOL 200MGTABLET	84	0	84	0.4001	0.4839	82.7%	0.1275	313.8%
00031890163	TENEX 1MGTABLET	7	0	7	0.9178	1.1551	79.5%	0.6293	145.8%
59930166003	THEOPHYLLINE ANHYDROUS 200MG TAB SR 12H	2	0	2	0.0168	0.1550	10.8%	0.0620	27.0%
59930167003	THEOPHYLLINE ANHYDROUS 300MG TAB SR 12H	3	0	3	0.0241	0.1900	12.7%	0.0815	29.6%
50111045903	THEOPHYLLINE ANHYDROUS 300MG TAB SR 12H	6	0	6	0.0215	0.1900	11.3%	0.0815	26.4%
50111043401	TRAZODONE HCL 100MGTABLET	12	0	12	0.0498	0.4100	12.1%	0.0975	51.0%
00364211001	TRAZODONE HCL 100MGTABLET	76	0	76	0.0515	0.7326	7.0%	0.0975	52.8%
50111044101	TRAZODONE HCL 150MGTABLET	6	2	4	0.1355	0.9446	14.3%	0.4943	27.4%
00093063701	TRAZODONE HCL 50MGTABLET	2	0	2	0.0425	0.5650	7.5%	0.0644	66.0%
50111043301	TRAZODONE HCL 50MGTABLET	41	0	41	0.0204	0.2600	7.9%	0.0644	31.7%
00472030115	TRIAMCINOLONE ACETONIDE 0.1% CREAM	47	0	47	0.0396	0.1660	23.8%	0.0670	59.1%
00472030180	TRIAMCINOLONE ACETONIDE 0.1% CREAM	45	0	45	0.0181	0.0632	28.6%	0.0302	59.9%
00781112301	TRIAMTERENE W/HCTZ 25-37.5MGTABLET	41	0	41	0.0306	0.3396	9.0%	0.2393	12.8%
00781271510	TRIAMTERENE W/HCTZ 25-50MGCAPSULE	7	0	7	0.0240	0.2690	8.9%	0.1350	17.8%

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00364040801	TRIHENXYPHENIDYL HCL 2MGTABLET	33	0	33	0.0799	0.1829	43.7%	0.1424	56.1%
00003173745	TRIMOX 125 125MG/5MLSUSP RECON	45	0	45	0.0059	0.0274	21.6%	0.0129	45.9%
00003173830	TRIMOX 250 250MG/5MLSUSP RECON	36	0	36	0.0109	0.0664	16.5%	0.0540	20.3%
00003173840	TRIMOX 250 250MG/5MLSUSP RECON	51	0	51	0.0100	0.0609	16.3%	0.0225	44.2%
00003173845	TRIMOX 250 250MG/5MLSUSP RECON	139	0	139	0.0081	0.0471	17.2%	0.0185	43.8%
00003010160	TRIMOX 250MGCAPSULE	12	0	12	0.0227	0.2370	9.6%	0.0735	30.9%
00003010960	TRIMOX 500MGCAPSULE	72	0	72	0.0422	0.3807	11.1%	0.3119	13.5%
00045051360	TYLENOL W/CODEINE NO.3 30-300MGTABLET	26	0	26	0.3034	0.3851	78.8%	0.0875	346.7%
60432062116	VALPROIC ACID 250MG/5MLSYRUP	3	2	1	0.0211	0.1516	13.9%	0.0594	35.5%
00003011675	VEETIDS 500 500MGTABLET	28	0	28	0.0252	0.0968	26.1%	0.0818	30.8%
00003011650	VEETIDS 500 500MGTABLET	52	0	52	0.0333	0.1356	24.5%	0.0818	40.7%
00173032188	VENTOLIN 90MCGAEROSOL	34	0	34	1.5560	1.8897	82.3%	0.4394	354.1%
00378112001	VERAPAMIL HCL 120MGTABLET SA	31	0	31	0.4035	0.9100	44.3%	1.1573	34.9%
00172428660	VERAPAMIL HCL 180MGTABLET SA	85	0	85	0.0929	1.1100	8.4%	0.2888	32.2%
00378041101	VERAPAMIL HCL 240MGTABLET SA	7	0	7	0.0948	1.2700	7.5%	0.3113	30.4%
00172428060	VERAPAMIL HCL 240MGTABLET SA	113	0	113	0.0842	1.2101	7.0%	0.3113	27.1%
00172428070	VERAPAMIL HCL 240MGTABLET SA	4	0	4	0.0895	1.1966	7.5%	0.3113	28.8%
00378041105	VERAPAMIL HCL 240MGTABLET SA	13	0	13	0.0907	1.2316	7.4%	0.3113	29.1%
00009009004	XANAX 1MGTABLET	1	0	1	1.0954	1.3831	79.2%	0.0880	1244.8%
00009009001	XANAX 1MGTABLET	31	0	31	1.1314	1.4996	75.6%	0.0880	1285.7%

Explanation of Columns

A: National Drug Code Number

B: Product Description

C: Number of invoice line items matched.

D: Number of invoice line items matched for institutional pharmacies.

E: Number of invoice line items matched for retail pharmacies.

F: Average acquisition cost per unit observed in the invoices (all pharmacies).

G: Average of May 2000 and November 2000 AWP per unit weighted by quantity purchased (all pharmacies).

H: Average acquisition cost as % of AWP (all pharmacies).

I: Average of March 2000 and September 2000 FUL price per unit weighted by quantity purchased.

J: Average acquisition cost as % of FUL price.

Pharmacy Acquisition Cost Survey Data
Statistical Summary of Acquisition Costs as a Percent of the Average Wholesale Price
Single Source Drug Products
Kentucky Medicaid

Characteristic	General Statistics						Percentiles			95% Confidence Interval for Mean (based on Student t)		
	n: Number of Pharmacies / Drug Number of Observations	Mean (Unweighted)	Mean (Weighted by Medicaid Drug Utilization)	Standard Deviation	Standard Error of the Mean		20%	50%	80%	Lower Bound	Upper Bound	t Value (with n-1 degrees of freedom)
Distributions by Pharmacy¹												
Single Source Drug Products (as % of the Average Wholesale Price) - Includes Internal Invoices												
All Pharmacies	110,950	224	82.7%	See Note (1)	1.8%	0.1%	81.0%	82.4%	84.9%	82.4%	82.9%	1.97
Single Source Drug Products (as % of the Average Wholesale Price) - External Invoices Only												
Institutional and Retail	45,731	156	81.7%	See Note (1)	1.2%	0.1%	80.0%	82.1%	82.6%	81.5%	81.9%	1.98
Institutional	627	7	81.2%	See Note (1)	1.5%	0.6%	79.4%	80.8%	82.6%	79.9%	82.6%	2.45
Retail	45,104	149	81.7%	See Note (1)	1.2%	0.1%	80.0%	82.1%	82.6%	81.5%	81.9%	1.98
Single Source Drug Products (as % of the Average Wholesale Price) - Retail Pharmacies Only - External Invoices Only												
Chain	31,962	68	80.9%	See Note (1)	1.1%	0.1%	80.0%	80.1%	82.1%	80.7%	81.2%	2.00
Independent	13,142	81	82.4%	See Note (1)	0.9%	0.1%	81.9%	82.5%	82.9%	82.2%	82.6%	1.99
Urban (in-state only)	23,259	63	81.3%	See Note (1)	1.2%	0.2%	80.0%	82.0%	82.2%	81.0%	81.6%	2.00
Rural (in-state only)	21,495	85	82.1%	See Note (1)	1.1%	0.1%	81.6%	82.1%	82.8%	81.8%	82.3%	1.99
Distributions by Drug Product²												
Single Source Drug Products (as % of the Average Wholesale Price) - External Invoices Only												
All Pharmacies	45,731	836	80.7%	81.6%	2.8%	0.1%	79.0%	81.4%	82.7%	80.5%	80.9%	1.96
Institutional Pharmacies	627	294	80.4%	81.4%	4.5%	0.3%	78.6%	81.3%	83.3%	79.9%	80.9%	1.97
Retail Pharmacies	45,104	790	80.9%	81.7%	2.4%	0.1%	79.1%	81.5%	82.8%	80.7%	81.0%	1.96
Chain Retail Pharmacies	31,962	699	80.4%	81.3%	2.5%	0.1%	78.7%	81.0%	82.5%	80.2%	80.6%	1.96
Independent Retail Pharmacies	13,142	740	81.8%	82.3%	2.4%	0.1%	80.0%	82.5%	83.5%	81.6%	82.0%	1.96

1) Individual store means are weighted by Medicaid drug utilization, however, distributions of acquisition cost by store are not weighted

2) Individual drug means are not weighted, however, the mean of the distribution of acquisition cost by drug resulting from a weighted calculation is presented.

Pharmacy Acquisition Cost Survey Data
Statistical Summary of Acquisition Costs as a Percent of the Average Wholesale Price
Multi-Source Drug Products Without an FUL
Kentucky Medicaid

		General Statistics					Percentiles			95% Confidence Interval for Mean (based on Student <i>t</i>)		
Characteristic	n: Number of Pharmacies	Mean (Unweighted)	Mean (Weighted by Medicaid Drug Utilization)	Standard Deviation	Standard Error of the Mean	20%	50%	80%	Lower Bound	Upper Bound	<i>t</i> Value (with <i>n</i> -1 degrees of freedom)	
	Number of Observations											/ Drug Products
Distributions by Pharmacy¹												
Multi-Source Drug Products Without an FUL (as % of the Average Wholesale Price) - Includes Internal Invoices												
All Pharmacies	40,081	225	65.9%	See Note (1)	8.8%	0.6%	61.7%	67.0%	71.4%	64.7%	67.1%	1.97
Multi-Source Drug Products Without an FUL (as % of the Average Wholesale Price) - External Invoices Only												
Institutional and Retail	18,402	157	64.9%	See Note (1)	10.3%	0.8%	60.8%	64.3%	73.4%	63.3%	66.6%	1.98
Institutional	277	7	62.0%	See Note (1)	18.5%	7.0%	35.6%	66.7%	75.1%	44.9%	79.1%	2.45
Retail	18,125	150	65.1%	See Note (1)	9.9%	0.8%	60.8%	64.2%	72.9%	63.5%	66.7%	1.98
Multi-Source Drug Products Without an FUL (as % of the Average Wholesale Price) - Retail Pharmacies Only - External Invoices Only												
Chain	14,235	68	62.0%	See Note (1)	2.3%	0.3%	60.4%	61.9%	63.6%	61.5%	62.6%	2.00
Independent	3,890	82	67.6%	See Note (1)	12.7%	1.4%	63.5%	69.6%	75.4%	64.8%	70.4%	1.99
Urban (In-state only)	9,981	62	63.9%	See Note (1)	6.9%	0.9%	60.8%	62.7%	67.8%	62.2%	65.7%	2.00
Rural (In-state only)	7,975	87	65.9%	See Note (1)	11.6%	1.2%	60.9%	66.6%	73.9%	63.5%	68.4%	1.99
Distributions by Drug Product²												
Multi-Source Drug Products Without an FUL (as % of the Average Wholesale Price) - External Invoices Only												
All Pharmacies	18,402	595	47.4%	43.7%	30.0%	1.2%	13.8%	46.9%	80.0%	45.0%	49.8%	1.96
Institutional Pharmacies	277	154	53.1%	43.4%	27.4%	2.2%	22.0%	56.5%	81.3%	48.7%	57.4%	1.98
Retail Pharmacies	18,125	557	47.9%	48.2%	30.4%	1.3%	13.8%	49.5%	80.4%	45.4%	50.4%	1.96
Chain Retail Pharmacies	14,235	435	50.2%	54.4%	30.0%	1.4%	15.0%	54.9%	80.8%	47.4%	53.0%	1.97
Independent Retail Pharmacies	3,890	492	51.6%	51.2%	30.2%	1.4%	16.7%	60.2%	82.7%	48.9%	54.3%	1.96

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Pharmacy Acquisition Cost Survey Data
Statistical Summary of Acquisition Costs as a Percent of the Average Wholesale Price
Multi-Source Drug Products With an FUL
Kentucky Medicaid

		General Statistics					Percentiles			95% Confidence Interval for Mean (based on Student <i>t</i>)		
Characteristic	Number of Observations	n: Number of Pharmacies / Drug Products	Mean (Unweighted)	Mean (Weighted by Medicaid Drug Utilization)	Standard Deviation	Standard Error of the Mean	20%	50%	80%	Lower Bound	Upper Bound	<i>t</i> Value (with n-1 degrees of freedom)
Distributions by Pharmacy¹												
Multi-Source Drug Products With an FUL (as % of the Average Wholesale Price) - Includes Internal Invoices												
All Pharmacies	19,796	221	18.6%	See Note (1)	7.6%	0.5%	13.0%	17.3%	22.8%	17.6%	19.6%	1.97
Multi-Source Drug Products With an FUL (as % of the Average Wholesale Price) - External Invoices Only												
Institutional and Retail	6,817	153	16.9%	See Note (1)	8.5%	0.7%	12.1%	14.3%	20.4%	15.5%	18.2%	1.98
Institutional	57	7	22.3%	See Note (1)	12.5%	4.7%	8.0%	20.5%	27.8%	10.8%	33.9%	2.45
Retail	6,760	146	16.6%	See Note (1)	8.2%	0.7%	12.1%	14.1%	19.1%	15.3%	17.9%	1.98
Multi-Source Drug Products With an FUL (as % of the Average Wholesale Price) - Retail Pharmacies Only - External Invoices Only												
Chain	5,555	68	13.5%	See Note (1)	1.8%	0.2%	12.0%	13.3%	14.8%	13.0%	13.9%	2.00
Independent	1,205	78	19.3%	See Note (1)	10.4%	1.2%	12.2%	16.7%	22.9%	17.0%	21.7%	1.99
Urban (In-state only)	3,807	61	14.7%	See Note (1)	4.7%	0.6%	12.2%	13.4%	16.2%	13.5%	15.9%	2.00
Rural (In-state only)	2,893	84	18.0%	See Note (1)	9.9%	1.1%	12.0%	15.0%	22.0%	15.8%	20.1%	1.99
Distributions by Drug Product²												
Multi-Source Drug Products With an FUL (as % of the Average Wholesale Price) - External Invoices Only												
All Pharmacies	6,817	228	22.1%	16.0%	20.6%	1.4%	7.4%	15.7%	29.1%	19.5%	24.8%	1.97
Institutional Pharmacies	57	31	23.6%	18.4%	19.3%	3.5%	8.2%	16.7%	33.7%	16.6%	30.7%	2.04
Retail Pharmacies	6,760	224	22.1%	16.0%	20.6%	1.4%	7.3%	15.8%	29.0%	19.3%	24.8%	1.97
Chain Retail Pharmacies	5,555	165	21.3%	14.8%	21.8%	1.7%	6.5%	13.3%	27.7%	17.9%	24.6%	1.97
Independent Retail Pharmacies	1,205	196	23.5%	17.2%	20.9%	1.5%	8.8%	17.2%	33.0%	20.6%	26.5%	1.97

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Pharmacy Acquisition Cost Survey Data
Statistical Summary of Acquisition Costs as a Percent of the Federal Upper Limit
Multi-Source Drug Products With an FUL
Kentucky Medicaid

	General Statistics						Percentiles			95% Confidence Interval for Mean (based on Student <i>t</i>)		
Characteristic	n: Number of Pharmacies / Drug		Mean	Mean (Weighted by Medicaid Drug Utilization)	Standard Deviation	Standard Error of the Mean	20%	50%	80%	Lower Bound	Upper Bound	<i>t</i> Value (with n-1 degrees of freedom)
	Number of Observations	Products	(Unweighted)									
Distributions by Pharmacy¹												
Multi-Source Drug Products With an FUL (as % of the Federal Upper Limit) - Includes Internal Invoices												
All Pharmacies	19,796	221	49.0%	See Note (1)	16.9%	1.1%	35.2%	46.1%	61.4%	46.8%	51.3%	1.97
Multi-Source Drug Products With an FUL (as % of the Federal Upper Limit) - External Invoices Only												
Institutional and Retail	6,817	153	43.7%	See Note (1)	17.8%	1.4%	33.8%	38.6%	51.0%	40.8%	46.5%	1.98
Institutional	57	7	50.4%	See Note (1)	34.4%	13.0%	17.8%	43.2%	53.4%	18.5%	82.2%	2.45
Retail	6,760	146	43.4%	See Note (1)	16.7%	1.4%	33.8%	38.5%	50.7%	40.6%	46.1%	1.98
Multi-Source Drug Products With an FUL (as % of the Federal Upper Limit) - Retail Pharmacies Only - External Invoices Only												
Chain	5,555	68	35.7%	See Note (1)	4.5%	0.6%	32.3%	35.7%	39.6%	34.6%	36.8%	2.00
Independent	1,205	78	50.1%	See Note (1)	20.3%	2.3%	36.1%	45.3%	61.2%	45.5%	54.6%	1.99
Urban (In-state only)	3,807	61	37.9%	See Note (1)	8.3%	1.1%	33.3%	36.4%	40.5%	35.8%	40.0%	2.00
Rural (In-state only)	2,893	84	47.4%	See Note (1)	20.0%	2.2%	34.3%	41.8%	53.6%	43.1%	51.7%	1.99
Distributions by Drug Product²												
Multi-Source Drug Products With an FUL (as % of the Federal Upper Limit) - External Invoices Only												
All Pharmacies	6,817	228	65.8%	40.7%	136.9%	9.1%	24.7%	38.1%	58.2%	48.0%	83.7%	1.97
Institutional Pharmacies	57	31	62.6%	38.9%	82.6%	14.8%	24.8%	42.7%	67.6%	32.3%	92.8%	2.04
Retail Pharmacies	6,760	224	66.6%	40.8%	139.1%	9.3%	24.9%	38.1%	57.2%	48.3%	84.9%	1.97
Chain Retail Pharmacies	5,555	165	64.5%	39.4%	129.8%	10.1%	23.9%	36.9%	53.4%	44.6%	84.5%	1.97
Independent Retail Pharmacies	1,205	196	72.8%	43.4%	148.6%	10.6%	26.6%	42.1%	62.2%	51.9%	93.8%	1.97

1) Individual store means are weighted by Medicaid drug utilization, however, distributions of acquisition cost by store are not weighted

2) Individual drug means are not weighted, however, the mean of the distribution of acquisition cost by drug resulting from a weighted calculation is presented.